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## LEGISLATIVE HISTORY

Public Law 533  
H. R. 10004

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## INDEX AND SUMMARY OF H. R. 10004

Various House Documents proposing supplemental appropriations.

March 15, 1956	House Appropriations Committee reported H. R. 10004 without amendment. House Report No. 1897. Print of bill and report.
March 20, 1956	House debated H. R. 10004.
March 21, 1956	House passed with amendments H. R. 10004. Referred to Senate Appropriations Committee. Print of bill as passed by House and referred.
April 10, 1956	Senate committee ordered H.R. 10004 reported with amendments. See table for items of interest to this Department.
April 11, 1956	Senate committee reported H. R. 10004 with amendments. Senate Report No. 1725. Print of bill and report.
April 12, 1956	Senate passed H.R. 10004 with amendments. Senate conferees appointed. Print of bill with Senate amendments numbered.
April 16, 1956	House conferees appointed.
May 11, 1956	Conferees reported H. R. 10004. House Report No. 2149. Print of report. Table of items of interest to this Department.
May 16, 1956	Both Houses agreed to the conference report on H.R. 10004.
May 19, 1956	Approved: Public Law 533, 84th Cong.

Hearings: House and Senate Appropriations Committees on H. R. 10004

# TABLE 1. SUMMARY OF THE 1950

Various other documents relating to the  
 Committee's work.

March 17, 1950  
 House report on the Committee's report on the  
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May 18, 1950  
 House report on the Committee's report on the  
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May 19, 1950  
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Footnote: House and Senate reports on the  
 Committee's report on the

## DIGEST OF PUBLIC LAW 533

SECOND SUPPLEMENTAL APPROPRIATION ACT, 1956. Provides funds for the Agriculture Department in the following amounts: Pay Act costs, research (ARS), \$1,717,530; contingency fund for emergency outbreaks of insects and plant disease, \$650,000; Gypsy moth control, \$322,220; Pay Act costs, plant and animal disease and pest control, \$1,027,780; Pay Act costs, meat inspection, \$1,048,690; increased timber sales \$200,000; Pay Act costs, national forest protection and management, \$1,978,500; fighting forest fires, \$5,250,000; Pay Act costs, control of forest pests, \$30,000; Pay Act costs, forest research, \$455,000; farm housing loans, \$5,000,000; administration of increase in farm housing loans, including Pay Act costs, \$1,500,000; CCC administrative-expense limitation, \$4,750,000; Pay Act costs pursuant to Public Law 94 (for appropriations not enumerated above), \$5,433,700; extends to Dec. 31, 1956, availability of funds for cost-sharing assistance to farmers to restore farmlands damaged by hurricanes and floods, for emergency wind erosion control measures, and to reimburse the President's Disaster Relief Fund.

Provides for the transfer of \$87,500 from the 1956 "census of agriculture" fund for salaries and expenses of the Census Bureau; \$65,000 for the Mexican farm labor program, Labor Department; \$100,000,000 for Federal-aid highways; \$3,000,000 for payment to contractors for forest highway construction work undertaken pursuant to previous contract authorizations; \$200,000 for the Commission on Government Security; \$200,000 for research on utilization of saline water; and various amounts for the payment of claims and judgments against the Government.









PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR VARIOUS AGENCIES IN THE FORM OF AMENDMENTS TO THE BUDGET

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COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL YEAR 1957, INVOLVING A NET INCREASE IN THE AMOUNT OF \$12,150,000, FOR VARIOUS AGENCIES, IN THE FORM OF AMENDMENTS TO THE BUDGET FOR SAID FISCAL YEAR

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FEBRUARY 2, 1956.—Referred to the Committee on Appropriations and ordered to be printed

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THE WHITE HOUSE,  
*Washington, February 2, 1956.*

iz The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress proposed supplemental appropriations for the fiscal year 1957, involving a net increase in the amount of \$12,150,000, for various agencies, in the form of amendments to the budget for said fiscal year.

The details of these proposed appropriations, the necessity therefor, and the reasons for their submission at this time are set forth in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

DWIGHT D. EISENHOWER.

## PROPOSED SUPPLEMENTAL APPROPRIATIONS

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
Washington 25, D. C., February 2, 1956.

The PRESIDENT,  
The White House.

SIR: I have the honor to submit herewith for your consideration proposed supplemental appropriations for the fiscal year 1957, involving a net increase in the amount of \$12,150,000, for various agencies, in the form of amendments to the budget for said fiscal year, as follows:

## GENERAL SERVICES ADMINISTRATION

## REAL PROPERTY ACTIVITIES

Budget page	Heading	Original estimate	Change to—	Increase
262	Operating expenses, Public Buildings Service.....	\$128, 598, 000	\$129, 898, 000	\$1, 300, 000

This proposed appropriation is necessary to meet the cost of increases in pay rates granted for wage-board employees. This proposed appropriation was not included in the budget because the need therefor did not become apparent until after the budget had been prepared.

## DEPARTMENT OF AGRICULTURE

Budget page	Heading	Original estimate	Change to—	Increase
	AGRICULTURAL RESEARCH SERVICE			
358	Salaries and expenses: Research.....	\$42, 915, 000	\$49, 972, 000	\$7, 057, 000
360	Payments to States, Hawaii, Alaska, and Puerto Rico. Limitation on the amount available for payments to agricultural experiment stations to carry into effect the provisions of the Hatch Act, as amended, including administration by the United States Department of Agriculture.....	27, 503, 708	29, 503, 708	2, 000, 000
		(27, 003, 708)	(29, 003, 708)	(2, 000, 000)
	EXTENSION SERVICE			
365	Payments to States, Hawaii, Alaska, and Puerto Rico. Limitation on the amount available for payments for cooperative agricultural extension work under the Smith-Lever Act, as amended.....	49, 115, 000	50, 115, 000	1, 000, 000
		(47, 620, 000)	(48, 620, 000)	(1, 000, 000)
	FARMER COOPERATIVE SERVICE			
367	Salaries and expenses.....	477, 000	577, 000	100, 000
	FOREST SERVICE			
368	Salaries and expenses: Forest research.....	8, 900, 000	9, 350, 000	450, 000
	AGRICULTURAL MARKETING SERVICE			
381	Marketing research and service: Marketing research and agricultural estimates.....	12, 552, 000	13, 565, 000	1, 013, 000
384	Payments to States, Territories, and possessions.....	1, 100, 000	1, 200, 000	100, 000



PROPOSED SUPPLEMENTAL APPROPRIATIONS

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DEPARTMENT OF AGRICULTURE—Continued

Budget page	Heading	Original estimate	Change to—	Increase
	FOREIGN AGRICULTURAL SERVICE			
386	Salaries and expenses.....	\$3, 610, 000	\$3, 890, 000	\$280, 000
	Total increase.....			12, 000, 000
	GENERAL PROVISIONS			
436	Sec. 501: (Delete the entire section and insert in lieu thereof the following.) Sec. 501. Within the unit limit of cost fixed by law, the lump-sum appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [535] 778 passenger motor vehicles [for replacement only], and for the hire of such vehicles, necessary in the conduct of the work of the Department outside the District of Columbia.			

Under the caption "Proposed for later transmission" (p. 439 of the 1957 budget), there was included an estimate of \$12,000,000 covering new agricultural measures under existing legislation. This sum will be required to accelerate research and education directed toward lower production costs, new uses for farm products, and expanded domestic and foreign markets under programs being detailed in connection with the President's special message on agriculture.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SOCIAL SECURITY ADMINISTRATION

Budget page	Heading	Original estimate	Change to—	Decrease
701	Grants to States for public assistance.....	\$1, 328, 000, 000	\$1, 315, 000, 000	\$13, 000, 000

As the result of revised information from the States, it is estimated that requirements for "Grants to States for public assistance" will be \$1,315,000,000 instead of \$1,328,000,000. This reduction is due to a smaller projected increase in the aid to dependent children caseload.

DEPARTMENT OF THE INTERIOR

NATIONAL PARK SERVICE

Budget page	Heading	Original estimate	Change to—	Increase
771	Construction.....	\$5, 200, 000	\$13, 550, 000	\$8, 350, 000

This proposed supplemental appropriation, together with the amount already included in the 1957 budget, will inaugurate a program for improving facilities in our national-park system to meet more adequately the ever-increasing visitor load.

The program is the result of about a year of intensive study and planning by the National Park Service. It contains the essentials needed to make the park system adequate to meet the needs of visitors which are expected to total 80 million by 1966.

This supplemental appropriation was not included in the 1957 budget because the improvement program had not been fully developed at the time the budget was being prepared.

### TREASURY DEPARTMENT

#### COAST GUARD

Budget page	Heading	Original estimate	Change to—	Increase
928	Reserve training.....	\$3,750,000	\$7,250,000	\$3,500,000

This proposed supplemental appropriation is necessary to enable the Treasury Department to expand the Coast Guard Reserve program in accordance with the objectives of the Reserve Forces Act of 1955 (Public Law 305, approved August 9, 1955). A proposed appropriation for the fiscal year 1956 is being transmitted to the Congress to meet the costs of recruiting and other preparatory requirements.

An estimate for the program was not included in the budget since a study of requirements could not be completed in time to determine the amount needed.

I recommend that the foregoing proposed supplemental appropriations be transmitted to the Congress.

Respectfully yours,

ROWLAND HUGHES,  
*Director of the Bureau of the Budget.*

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PROPOSED SUPPLEMENTAL APPROPRIATIONS AND  
OTHER AUTHORIZATIONS FOR VARIOUS AGENCIES

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COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

PROPOSED SUPPLEMENTAL APPROPRIATIONS AND OTHER  
AUTHORIZATIONS FOR THE FISCAL YEAR 1956, AND FOR OTHER  
PURPOSES, IN THE AMOUNT OF \$565,560,965, FOR VARIOUS  
AGENCIES

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FEBRUARY 8, 1956.—Referred to the Committee on Appropriations and ordered  
to be printed

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THE WHITE HOUSE,  
*Washington, February 8, 1956.*

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of  
the Congress proposed supplemental appropriations and other author-  
izations for the fiscal year 1956, and for other purposes, in the amount  
of \$565,560,965, for various agencies.

The details of these proposed appropriations, the necessity therefor,  
and the reasons for their submission at this time are set forth in the  
attached letter from the Director of the Bureau of the Budget, with  
whose comments and observations thereon I concur.

Respectfully yours,

DWIGHT D. EISENHOWER.

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
*Washington 25, D. C., February 6, 1956.*

The PRESIDENT,  
*The White House.*

SIR: I have the honor to submit herewith for your consideration proposed supplemental appropriations and other authorizations for the fiscal year 1956, and for other purposes, in the following amounts:

The judiciary.....	\$118, 775
Executive branch.....	563, 442, 190
District of Columbia:	
Federal contribution.....	2, 000, 000
Out of District of Columbia funds.....	(1, 396, 710)
Total.....	565, 560, 965

These proposed supplemental appropriations and other authorizations will not result in an increase in total 1956 expenditures or new obligational authority contained in the 1957 budget, as all but about \$37 million were specifically included in the totals and that amount is covered by the reserve for contingencies. The charge of \$37 million to the reserve for contingencies is due to a larger number of veterans drawing readjustment benefits than had been anticipated. This need amounts to more than \$42 million, which is offset in part by reductions in the amounts forecast in the budget for other items.

There are a number of Government programs which require payments based on formulas or conditions set forth in law. Requirements for such programs are susceptible to little or no control through the budget process and are difficult to forecast since, in the main, they depend upon actions by individual citizens. Almost three-fourths of the total in this document is for these programs, such as veterans' benefits, public assistance grants, and Federal-aid highway grants. About 17 percent, or more than \$90 million, is necessitated by legislation either enacted at the last session of the Congress or currently in process of enactment. The remainder, amounting to about \$66 million, is for workload increases and other contingencies not foreseen when the 1956 annual appropriations were enacted, including \$28 million for certain phases of the earth-circling satellite program and other scientific research and \$15 million to replenish the Corps of Engineers' emergency flood-control fund which was depleted by the recent floods in California, Oregon, and Nevada.

In addition, there are submitted several proposed provisions and increases in limitations pertaining to existing appropriations, none of which has a net effect on the budget totals.

Drafts of suggested language and the details of the various proposals, together with the reasons for their submission at this time, are set forth in the attachment to this letter.

The proposed supplemental appropriations and other authorizations for the executive branch and the contribution to the District of Columbia have been carefully reviewed, and I recommend their transmission to the Congress in the amounts specified. Those for the judiciary and those payable out of District of Columbia funds have been included without change in the requests, and I make no observation regarding their necessity.

Respectfully yours,

ROWLAND HUGHES,  
*Director of the Bureau of the Budget.*



# ITEMS INCLUDED IN THE CONSOLIDATED SUBMISSION OF PROPOSED SUPPLEMENTAL APPROPRIATIONS AND OTHER AUTHORIZATIONS

## THE JUDICIARY

Supreme Court of the United States: Miscellaneous expenses.....	\$900
Courts of appeals, district courts, and other judicial services:	
Travel and miscellaneous expenses.....	Language
Salaries of referees.....	6, 375
Expenses of referees.....	111, 500

## INDEPENDENT OFFICES

American Battle Monuments Commission: Dedication of World War II memorials.....	140, 000
Civil Service Commission:	
Salaries and expenses.....	Language
Investigations of United States citizens for employment by international organizations.....	119, 000
Annuities, Panama Canal construction employees and Light-house Service widows.....	70, 000
Administrative expenses, employees' life insurance fund.....	Language
Commission on Government Security: Salaries and expenses.....	200, 000
Corregidor Bataan Memorial Commission: Salaries and expenses..	61, 000
District of Columbia Auditorium Commission: Salaries and expenses.....	25, 000
Federal Communications Commission: Salaries and expenses.....	Language
Federal Home Loan Bank Board.....	Language
Federal Trade Commission: Salaries and expenses.....	Language
Interstate Commerce Commission:	
General expenses.....	Language
Railroad safety.....	Language
Locomotive inspection.....	Language
National Labor Relations Board: Salaries and expenses.....	951, 500
National Mediation Board: Salaries and expenses.....	Language
National Monument Commission: Salaries and expenses.....	25, 000
National Science Foundation: International Geophysical Year....	28, 000, 000
Railroad Retirement Board: Salaries and expenses.....	Language
Securities and Exchange Commission: Salaries and expenses.....	Language
Tennessee Valley Authority.....	3, 500, 000
The Tax Court of the United States: Salaries and expenses.....	87, 000
Veterans Administration:	
Inpatient care.....	Language
Outpatient care.....	3, 882, 200
Compensation and pensions.....	20, 000, 000
Readjustment benefits.....	185, 000, 000
Increased travel limitations.....	Language

## GENERAL SERVICES ADMINISTRATION

Operating expenses, Public Buildings Service.....	4, 685, 000
Refunds under Renegotiation Act.....	4, 600, 000
Acquisition of land and building, Chicago, Ill.....	Language
Increased travel limitations.....	Language

## HOUSING AND HOME FINANCE AGENCY

Office of the Administrator:	
Salaries and expenses.....	\$403, 500
Housing loans to educational institutions.....	Language
Revolving fund (liquidating programs).....	Language
Federal National Mortgage Association.....	Language
Federal Housing Administration:	
Administrative expenses.....	Language
Housing investment insurance fund.....	Language
Public Housing Administration: Administrative expenses.....	1, 525, 000

## DEPARTMENT OF AGRICULTURE

Agricultural Research Service: Salaries and expenses.....	4, 794, 000
Forest Service: Salaries and expenses.....	8, 213, 500
Agricultural Conservation Program Service.....	Language
Farmers' Home Administration:	
Loan authorizations.....	5, 000, 000
Salaries and expenses.....	1, 620, 000
Commodity Credit Corporation.....	Language

## DEPARTMENT OF COMMERCE

Bureau of the Census: Salaries and expenses.....	428, 000
Maritime activities:	
Ship construction.....	Language
Operating-differential subsidies.....	30, 000, 000
Bureau of Public Roads:	
Federal-aid highways.....	100, 000, 000
Forest highways.....	4, 000, 000
National Bureau of Standards: Plant and equipment.....	Language

## DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

Department of the Navy: Audited claims.....	Language
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## DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

Department of the Army: Rivers and harbors and flood control:	
Operation and maintenance, general.....	15, 350, 000

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education:	
Payments to school districts.....	25, 000, 000
Assistance for school construction.....	9, 900, 000
Public Health Service:	
Grants to States for poliomyelitis vaccination.....	33, 000, 000
Construction of research facilities.....	3, 190, 000
Social Security Administration: Grants to States for public assistance.....	57, 000, 000

## DEPARTMENT OF THE INTERIOR

Office of the Secretary:	
Research in the utilization of saline water.....	200, 000
Operation and maintenance, Southeastern Power Administration.....	235, 000
Bureau of Land Management:	
Management of lands and resources.....	1, 681, 700
Construction.....	2, 000, 000
Bureau of Indian Affairs: Education and welfare services.....	1, 871, 000
Geological Survey: Surveys, investigations, and research.....	1, 650, 000
National Park Service: Jones Point Bridge.....	500, 000
Fish and Wildlife Service: Federal aid in wildlife restoration.....	Language
Office of Territories: Administration of territories.....	60, 000

DEPARTMENT OF JUSTICE

Legal activities and general administration:

Salaries and expenses, general legal activities.....	\$550, 000
Salaries and expenses, Antitrust Division.....	364, 000
Fees and expenses of witnesses.....	200, 000
Salaries and expenses, claims of persons of Japanese ancestry..	712, 000

DEPARTMENT OF LABOR

Bureau of Employment Security: Unemployment compensation for Federal employees.....	Language
Bureau of Labor Statistics: Special wage survey.....	Language

DEPARTMENT OF STATE

Payment to Foreign Service retirement and disability fund.....	1, 236, 000
Extension and remodeling, State Department Building.....	900, 000
Contributions to international organizations.....	349, 790

TREASURY DEPARTMENT

Bureau of Accounts: Salaries and expenses.....	163, 000
Coast Guard: Reserve training.....	Language

DISTRICT OF COLUMBIA

Federal payment to District of Columbia.....	2, 000, 000
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(Out of District of Columbia funds)

Operating expenses:	
Metropolitan Police.....	(240, 000)
Department of Public Health.....	(150, 000)
Freedmen's Hospital, fiscal year 1954.....	(137, 489)
Public welfare, fiscal year 1955.....	(327, 000)
Department of Highways.....	(393, 000)
Settlement of claims and suits.....	(44, 708)
Judgments.....	(18, 728)
Audited claims.....	(85, 785)

Total proposed supplemental appropriations and other authorizations.....	565, 560, 965
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## DETAIL OF PROPOSED SUPPLEMENTAL APPROPRIATIONS AND OTHER AUTHORIZATIONS FOR FISCAL YEAR 1956, AND FOR OTHER PURPOSES

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, namely:*

### THE JUDICIARY

#### SUPREME COURT OF THE UNITED STATES

##### MISCELLANEOUS EXPENSES

For an additional amount for "Miscellaneous expenses", \$900.

This proposed supplemental appropriation is necessary for rental of a parking lot for use of some personnel of the Supreme Court and the Administrative Office of the United States Courts.

#### COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

##### TRAVEL AND MISCELLANEOUS EXPENSES

For an additional amount for "Travel and miscellaneous expenses", \$225,000, *to be derived by transfer from the appropriation "Fees of jurors and commissioners", fiscal year 1956.*

This proposed supplemental appropriation is necessary to provide for the increased travel costs of Judicial personnel resulting from the authorized higher rates for mileage and per diem pursuant to the act of July 28, 1955 (Public Law 189).

##### SALARIES OF REFEREES

For an additional amount for "Salaries of referees", \$6,375, to be derived from the referees' salary fund established in pursuance of the Act of June 28, 1946, as amended (11 U. S. C. 68).

##### EXPENSES OF REFEREES

For an additional amount for "Expenses of referees", \$111,500, to be derived from the referees' expense fund established in pursuance of the Act of June 28, 1946, as amended (11 U. S. C. 68 (c) (4)).

The proposed supplemental appropriations for salaries and expenses of referees are to cover increased salaries approved by the Judicial Conference of the United States, salary increases granted by the act of June 28, 1955 (Public Law 94), increased mileage and per diem pursuant to the act of July 28, 1955 (Public Law 189), and to provide 10 additional clerks for the last 4 months of the fiscal year.

## INDEPENDENT OFFICES

## AMERICAN BATTLE MONUMENTS COMMISSION

## DEDICATION OF WORLD WAR II MEMORIALS

*For expenses necessary for appropriate dedications of World War II memorials, erected under the authority of the Act of June 26, 1946 (36 U. S. C. 123), to be available for such purposes as the Commission may deem necessary and proper and without regard to the provisions of other laws or regulations relating to the expenditure of public funds (except that this exemption shall not be construed as waiving the requirement for the submission of accounts and vouchers to the General Accounting Office for audit), \$140,000, to remain available until June 30, 1957: Provided, That, when in the discretion of any other government agency it would be in the public interest, personnel, services, supplies, equipment, and facilities of such agency may be furnished without reimbursement to the Commission for the purposes of this appropriation.*

The construction of six memorials in overseas cemeteries will be completed this year. These memorials commemorate the operations of the American forces in World War II and appropriate dedication ceremonies are planned for July. This proposed supplemental appropriation of \$140,000 is to provide funds for the expenses of these ceremonies, plans for which had not been completed until recently.

## CIVIL SERVICE COMMISSION

## SALARIES AND EXPENSES

*The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$443,000" to "\$493,000", and the limitation under said head on the amount available for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767), is increased from "\$65,000" to "\$70,000".*

Subsequent to enactment of the Independent Offices Appropriation Act, 1956, per diem and mileage allowances were increased pursuant to the act of July 28, 1955 (Public Law 189). Use of the higher rates now permitted makes necessary an increase in the limitations on travel and the cost of performing the duties imposed by the act of July 19, 1940 (Hatch Act). In addition, the latter limitation must be increased by \$4,400 to cover the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

INVESTIGATIONS OF UNITED STATES CITIZENS FOR EMPLOYMENT BY  
INTERNATIONAL ORGANIZATIONS

For an additional amount for "Investigations of United States citizens for employment by international organizations", \$119,000.

This appropriation pays for investigations conducted by the Civil Service Commission and the Federal Bureau of Investigation on American citizens employed by or being considered for employment by international organizations of which the United States is a member. The Civil Service Commission cannot control the workload and, to some extent, it is unpredictable. The Independent Offices Appropriation Act, 1956, made available \$398,385, the unobligated balance from the previous fiscal year. Workload receipts have been in excess of the number which can be processed with available funds and a supplemental appropriation is needed to permit the processing of these workloads. Of the total requested, \$95,200 is for this purpose and

\$23,800 is for the cost of salary increases granted by the act of June 28, 1955 (Public Law 94).

ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES AND LIGHTHOUSE SERVICE WIDOWS

For an additional amount for "Annuities, Panama Canal construction employees and Lighthouse Service widows", \$70,000.

This appropriation pays annuities to persons who were employed on construction of the Panama Canal or their widows and to widows of former employees of the Lighthouse Service. Former Panama Canal employees, upon application for annuity are paid benefits retroactive to May 29, 1944, the date of enactment of authorizing legislation. Receipt of unexpected applications from persons in this group make this proposed supplemental appropriation necessary.

On December 21, 1955, this appropriation was apportioned on a basis which indicated a necessity for a supplemental estimate, pursuant to section 3679 of the Revised Statutes, as amended. This action was reported to the Congress by the Director of the Bureau of the Budget on that date.

ADMINISTRATIVE EXPENSES, EMPLOYEES' LIFE INSURANCE FUND

*The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount made available from the "Employees' life insurance fund" for reimbursement to the Civil Service Commission for administrative expenses incurred in the administration of the Federal Employees' Group Life Insurance Act, is increased from "\$80,000" to "\$192,350".*

Subsequent to enactment of the Independent Offices Appropriation Act, 1956, the Federal Employees' Group Life Insurance Act was amended to provide for assumption by the employees' life insurance fund of life-insurance agreements of employee beneficial associations (69 Stat. 676). The amending legislation also required completion of such action within 6 months of the date of enactment except in special cases. This proposed increase in limitation is necessary to permit the regular appropriation of the Civil Service Commission to be reimbursed for the costs arising out of the increased workload resulting from assumption of these agreements. In addition, it includes \$4,350 for costs of the salary increases granted by the act of June 28, 1955 (Public Law 94).

COMMISSION ON GOVERNMENT SECURITY

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$200,000, and said appropriation shall remain available until March 31, 1957.

This proposed supplemental appropriation is necessary to carry out the objectives of the act of August 9, 1955 (Public Law 304). The Commission which has been recently organized has determined that a staff of approximately 80 employees will ultimately be required to accomplish its program. Consequently, the Commission proposes that the amount of \$50,000 appropriated under the Legislative Appropriation Act, 1956, be supplemented in order that the projected level of operation may be achieved by the close of this fiscal year. The Commission plans to request a further supplemental for fiscal year 1957 as soon as the requirements can be better determined.



## CORREGIDOR BATAAN MEMORIAL COMMISSION

## SALARIES AND EXPENSES

*For expenses necessary to carry out the provisions of the Act of August 5, 1953, as amended (67 Stat. 366 and 69 Stat. 589), \$61,000, to remain available through June 30, 1957.*

This proposed supplemental appropriation is needed to provide funds to the Corregidor Bataan Memorial Commission for expenses in connection with a study relating to erection of a memorial on Corregidor Island to the Philippine and American servicemen who lost their lives while serving in the Philippines during World War II.

The Commission is authorized to accept gifts for the purpose of preparing plans as well as for construction and other expenses of the memorial. The appropriation requested, pursuant to the act of August 9, 1955 (Public Law 298), is to provide for a full-time executive secretary and other expenses of the Commission.

## DISTRICT OF COLUMBIA AUDITORIUM COMMISSION

## SALARIES AND EXPENSES

*For necessary expenses to carry out the provisions of the Act of July 1, 1955 (Public Law 128), to be available from October 25, 1955, and to be expended on the authority or approval of the Chairman of the District of Columbia Auditorium Commission, \$25,000.*

This proposed supplemental appropriation is necessary to enable the District of Columbia Auditorium Commission to formulate plans for the design, location, financing, and construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center as authorized by the act of July 1, 1955 (Public Law 128).

## FEDERAL COMMUNICATIONS COMMISSION

## SALARIES AND EXPENSES

*The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$65,000" to "\$94,000".*

Because of increased travel costs arising from the act of July 28, 1955 (Public Law 189), an increase in the limitation is required. An additional increase of \$17,000 in this limitation is requested to provide for travel incident to the study of television and radio network practices. In 1956, the Congress appropriated \$80,000 for this purpose, and no provision was made within the travel limitation for the increased cost of travel associated therewith.

## FEDERAL HOME LOAN BANK BOARD

*The amount made available in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses of the Home Loan Bank Board is increased from "\$920,000" to "\$978,400", and the amount made available to said Board for nonadministrative expenses, is increased from "\$2,995,000" to "\$3,338,800".*

These proposed increases in limitations are necessary to provide for the cost of pay increases granted by the act of June 28, 1955 (Public Law 94), and the additional cost of employee travel pursuant to the act of July 28, 1955 (Public Law 189). The entire \$58,400 increase in administrative expenses and \$165,800 of the increase in nonadministrative expenses are needed for pay increase costs.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

*The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$160,000" to "\$175,000".*

Because of increased travel costs arising from the act of July 28, 1955 (Public Law 189), an increase in the limitation is required.

INTERSTATE COMMERCE COMMISSION

GENERAL EXPENSES

*The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$330,000" to "\$397,000".*

RAILROAD SAFETY

*The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$163,050" to "\$176,000".*

LOCOMOTIVE INSPECTION

*The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$112,620" to "\$124,000".*

Because of increased travel costs arising from the act of July 28, 1955 (Public Law 189), increases in the above limitations are required.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses," \$951,500.

The number of cases filed with the National Labor Relations Board has been increasing greatly since the 1956 budget was before the Congress for action. As a result the agency has been falling behind in its work. Of this proposed supplemental appropriation \$425,000 is needed to permit cases to be processed without the undue delays which adversely affect labor relations. The estimate also includes \$526,500 to cover the cost of the pay increases granted by the act of June 28, 1955 (Public Law 94).

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$31,000, to be derived by transfer from the appropriation "Arbitration and emergency boards", fiscal year 1956.

This proposed supplemental appropriation is needed to cover the cost of the increase in travel rates authorized by the act of July 28, 1955 (Public Law 189), and the increase in salary rates granted by the act of June 28, 1955 (Public Law 94). Of the total, \$21,000 is for pay increases and the remainder represents the portion of the increased travel cost that cannot be absorbed without reducing the mediation service to labor and management in the railroad and airline industries. The necessary funds can be obtained by transfer from the appropriation for "Arbitration and emergency boards", because of an anticipated lower rate of expenditure in that account than was previously estimated.

## NATIONAL MONUMENT COMMISSION

## SALARIES AND EXPENSES

*For expenses necessary to carry out the provisions of the Act of August 31, 1954 (68 Stat. 1029), \$25,000, to remain available until expended.*

The National Monument Commission was created by the act of August 31, 1954 (Public Law 742). Its function is to secure plans and designs for a monument symbolizing the ideals of democracy. The monument is to be located on federally owned land in Virginia adjoining Arlington National Cemetery on the heights overlooking the Potomac River.

The members of the Commission have now been appointed, and this proposed supplemental appropriation is needed to provide funds for the Commission to carry out its function.

## NATIONAL SCIENCE FOUNDATION

## INTERNATIONAL GEOPHYSICAL YEAR

*For an additional amount for "International Geophysical Year", \$28,000,000, to remain available until June 30, 1960.*

This proposed supplemental appropriation is requested for further financing of the United States program for the International Geophysical Year. Funds are included for the earth-circling satellite program in which the Department of Defense is participating. Provision is also made for the expansion of the United States program in the Antarctic, Arctic, and equatorial Pacific, as well as for research in oceanography, gravity measurements, and seismology, programs which are not currently provided for. The expanded geographic coverage and the added scientific fields are the direct result of world-wide plans to expand the International Geophysical Year program. When the 1956 budget was presented, over 30 nations had indicated that they would participate. This number has now increased to 55, of which over 40 countries, including the Soviet Union, have established definite national programs.

## RAILROAD RETIREMENT BOARD

## SALARIES AND EXPENSES, RAILROAD RETIREMENT BOARD (TRUST FUND)

*For an additional amount for "Salaries and expenses, Railroad Retirement Board (trust fund)," \$888,000, to be derived from the railroad retirement account.*

This proposed supplemental amount is necessary to provide the Railroad Retirement Board with additional funds required to meet part of the cost of increased workloads resulting from the act of August 12, 1955 (Public Law 383), increasing maximum annuities of wives and removing certain restrictions against survivor beneficiaries receiving full benefits; the act of September 1, 1954 (Public Law 761), amending both the Railroad Retirement and Social Security Acts with respect to the work clause and the exclusion of periods of disability in calculating average wages and benefit payments; and \$393,000 to cover the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

On September 26, 1955, and December 23, 1955, this account was apportioned, pursuant to section 3679 of the Revised Statutes, as amended, on a deficiency basis indicating, respectively, a need for



additional funds to cover the cost of pay increases and additional program needs. These actions were reported to the Congress by the Director of the Bureau of the Budget on those dates.

# SECURITIES AND EXCHANGE COMMISSION

## SALARIES AND EXPENSES

*The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$132,000" to "\$157,500".*

Because of increased travel costs arising from the act of July 28, 1955 (Public Law 189), an increase in the limitation is required.

## TENNESSEE VALLEY AUTHORITY

For an additional amount for "Tennessee Valley Authority", \$3,500,000, to remain available until expended.

Following the enactment of the Public Works Appropriation Act, 1956, and on the basis of its General Counsel's opinion as to legal authority, the Tennessee Valley Authority on September 13, 1955, issued letters of intent covering the acquisition of major equipment for an additional steam electric generating unit at the John Sevier plant with the expectation of financing the costs in 1956 from power proceeds without additional congressional approval. Letters of intent could be canceled subsequent to November 15 only upon payment of certain stipulated costs which are currently accruing against the Tennessee Valley Authority. The estimated cost of the completed unit is \$28 million.

The submission of this estimate provides the Congress with an opportunity to decide on the need for the unit and the method to be followed in its financing.

The completion of this unit is necessary to meet additional power requirements expected by the end of calendar year 1957. There is now pending before the Congress legislation recommended by the administration to permit the issuance of revenue bonds by the Tennessee Valley Authority. The 1957 budget contemplates the enactment of this legislation and the financing of the John Sevier unit after 1956 not from appropriations but with funds derived from this source.

## THE TAX COURT OF THE UNITED STATES

### SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$87,000; and the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$42,500" to "\$45,650".

This proposed supplemental appropriation is necessary to cover costs of increased salary rates granted by the act of June 28, 1955 (Public Law 94), the retirement pay and terminal leave of a judge and expenses in connection with his recall to duty, and the cost of increased travel per diem authorized by the act of July 28, 1955 (Public Law 189).

On September 26, 1955, and November 1, 1955, this appropriation was apportioned pursuant to section 3679 of the Revised Statutes, as amended, on a deficiency basis indicating, respectively, a need for additional funds to cover the cost of increased salary rates and the expenses connected with the retirement of a judge. These actions were reported to the Congress by the Director of the Bureau of the Budget on those dates.

## VETERANS ADMINISTRATION

## INPATIENT CARE

*The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel of employees, is increased from "\$246,000" to "\$363,600": Provided, That, notwithstanding the last proviso under this head in the Independent Offices Appropriation Act, 1956, inpatient care and treatment may be furnished to an average of 130,309 beneficiaries (excluding members in State or Territorial homes) during the current fiscal year without any proportionate reduction in expenditures.*

The increase in the appropriation limitation for employee travel is necessary to provide for additional travel of employees who escort patients transferred between hospitals or placed in foster homes, to transfer trained employees between hospitals when required, to pay the increased cost of travel of employees serving outside the continental limits of the United States as authorized by the act of August 31, 1954 (Public Law 737), and to cover the cost of travel allowance increases authorized by the act of July 28, 1955 (Public Law 189).

The average number of beneficiaries who will require inpatient care and treatment is now estimated to be 1,175 less than the number forecast in the budget. The above provision will make the savings resulting from this lower patient load available to finance the increased cost of employee travel and a part of the pay increases granted by the act of June 28, 1955 (Public Law 94).

## OUTPATIENT CARE

For an additional amount for "Outpatient care", \$3,882,200; and the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel of employees, is increased from "\$170,000" to "\$208,000".

This proposed supplemental appropriation is to provide additional funds for employee pay increases in the amount of \$3,882,200 in accordance with the act of June 28, 1955 (Public Law 94), and an additional \$500,000 for program purposes which were not foreseen at the time the annual budget estimates were prepared. Such purposes include the cost of new drugs for the treatment on an outpatient basis of veterans discharged from tuberculosis and neuropsychiatric hospitals, the increased cost of new transistor type hearing aids, increased cost of medical fees incurred on behalf of veterans treated for service-connected disorders, and an additional amount for beneficiary travel.

The increase in the limitation for employee travel is needed to cover the cost of the increase in travel allowances as authorized by the act of July 28, 1955 (Public Law 189), and to pay the increased cost of travel of employees serving outside the continental limits of the United States as authorized by the act of August 31, 1954 (Public Law 737).

## COMPENSATION AND PENSIONS

For an additional amount for "Compensation and pensions", \$20,000,000, to remain available until expended.

This appropriation provides for veterans' compensation, pensions, and other allowances, including emergency officers' retirement pay and annuities, and burial expenses of deceased veterans. Payments are made in accordance with legal requirements and are not controllable by administrative action.



Estimates of requirements for this appropriation are computed on the basis of obligational trends and past experience. The necessity for this proposed supplemental appropriation arises chiefly from an unexpected increase in the number of World War I pension cases. In addition, average payment rates actually experienced to date indicate that the impact of recently enacted rate-increasing legislation was not fully realized in computing fund requirements for the current fiscal year.

#### READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", \$185,000,000, to remain available until expended.

This appropriation provides for education and training allowances to veterans, vocational rehabilitation of disabled veterans, loan guaranty payments, and housing grants for disabled veterans.

The amount presently available for obligation in fiscal year 1956 is \$630,946,000. Experience to date indicates this amount is insufficient principally because of the considerable increase in enrollments and rates of payment. In the budget for fiscal year 1956, the average monthly training load was estimated to be 435,000, at an average annual cost of \$1,252. In the budget for fiscal year 1957 these estimates were revised to 515,000 trainees at an average annual cost of \$1,327. The enrollments in November and December, particularly in colleges, have again taken an unexpected upward turn and current trends indicate there will be 545,000 trainees in the fiscal year 1956 at an average annual cost of \$1,337. An additional appropriation of \$185 million is needed to finance the program on this newly estimated level through June 30, 1956.

On July 11, 1955, this appropriation was apportioned on a basis which indicated a necessity for a supplemental estimate, pursuant to section 3679 of the Revised Statutes, as amended. This action was reported to the Congress by the Director of the Bureau of the Budget on that date.

#### INCREASED TRAVEL LIMITATIONS

*Limitations imposed by the Independent Offices Appropriation Act, 1956, on amounts available for travel expenses under the following appropriations are increased as follows:*

- "General operating expenses" from "\$2,731,000" to "\$2,900,000";
- "Medical administration and miscellaneous operating expenses" from "\$751,800" to "\$828,800"; and
- "Maintenance and operation of supply depots" from "\$2,500" to "\$2,900".

These increased limitations are required for additional per diem allowances for subsistence and travel expenses authorized by the act of July 28, 1955 (Public Law 189).

#### GENERAL SERVICES ADMINISTRATION

##### OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

For an additional amount for "Operating expenses, Public Buildings Service", \$4,685,000; and the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$163,500" to "\$185,600".

This proposed supplemental appropriation includes \$800,000 to meet increased pay rates effective on or before February 12, 1956, for wage board employees and the remaining \$3,885,000 is required for

increases in classified salaries granted by the act of June 28, 1955 (Public Law 94). The increase in limitation for travel expenses is needed for additional per diem allowances for subsistence and travel expenses as authorized by the act of July 28, 1955 (Public Law 189).

#### REFUNDS UNDER RENEGOTIATION ACT

For an additional amount for "Refunds under Renegotiation Act", \$4,600,000, to remain available until expended.

This appropriation is needed to finance refund and rebate payments due World War II contractors upon approval of their claims under the Revenue Act of 1943 and the Renegotiation Act of 1951, as amended. Presently available funds are expected to be exhausted within the next few weeks.

#### ACQUISITION OF LAND AND BUILDING, CHICAGO, ILLINOIS

*For the acquisition of the parcel of land located at 536 South Clark Street, Chicago, Illinois, together with all improvements thereon and appertaining thereto, including incidental expenses, to remain available until expended, \$3,000,000, to be derived by transfer from the appropriation "Sites and planning, purchase contract, and public buildings projects."*

This proposed supplemental appropriation is needed to acquire the Rand-McNally building, Chicago, Ill., in order to provide a more economical solution to the problem of housing certain Government agencies in the Chicago area.

#### INCREASED TRAVEL LIMITATIONS

*Limitations imposed by the Independent Offices Appropriation Act, 1956, as amended by the Supplemental Appropriation Act, 1956, on amounts available for travel expenses under the following appropriations are increased as follows:*

- "Emergency operating expenses" from "\$13,400" to "\$15,300";*
- "Repair, improvement, and equipment" from "\$155,000" to "\$178,250";*
- "Operating expenses, Federal Supply Service" from "\$59,750" to "\$68,100"; and*
- "Operating expenses, National Archives and Records Service" from "\$30,750" to "\$34,750".*

These increased limitations are required for additional per diem allowances for subsistence and travel expenses as authorized by the act of July 28, 1955 (Public Law 189).

#### HOUSING AND HOME FINANCE AGENCY

##### OFFICE OF THE ADMINISTRATOR

##### SALARIES AND EXPENSES

*For an additional amount for "Salaries and expenses", \$403,500; and the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$263,700" to "\$306,500": Provided, That the limitation under this head on the amount available for certain nonadministrative expenses, is increased from "\$700,000" to "\$743,000".*

This proposed supplemental appropriation provides \$50,000 for additional staff to handle the increased workload under the expanded program of reserve of planned public works authorized by the Housing Amendments of 1955 (Public Law 345), \$35,000 for the additional cost of employee travel allowances as authorized by the act of July

28, 1955 (Public Law 189), and \$318,500 for the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

The \$42,800 increase in the limitation on expenses of travel is necessary to provide for the additional travel requirements resulting from the expanded program of reserve of planned public works and the additional cost of employee travel allowances; and the \$43,000 increase in limitation on nonadministrative expenses is necessitated by the employee pay increase.

OFFICE OF THE ADMINISTRATOR, HOUSING LOANS TO EDUCATIONAL INSTITUTIONS

*The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from "\$500,000" to "\$725,000", and the limitation thereunder on the amount available for expenses of travel, is increased from "\$19,000" to "\$31,000".*

Of the increase in limitation for administrative expenses, \$187,000 is necessary to provide for additional staff to process the increased volume of college housing loan applications received as a result of the expanded program authorized by the Housing Amendments of 1955 (Public Law 345), and the remaining \$38,000 is necessary to provide for the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

The \$12,000 increase in the limitation on expenses of travel is necessary to provide for the additional travel requirements resulting from the expanded program and the additional cost of employee travel allowances as authorized by the act of July 28, 1955 (Public Law 189).

On August 25, 1955, this account was apportioned on a basis which indicated a necessity for a supplemental estimate, pursuant to section 3679 of the Revised Statutes, as amended. This action was reported to the Congress by the Director of the Bureau of the Budget on that date.

OFFICE OF THE ADMINISTRATOR, REVOLVING FUND (LIQUIDATING PROGRAMS)

*The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from "\$2,600,000" to "\$2,788,000", and the limitation thereunder on the amount available for expenses of travel, is increased from "\$183,200" to "\$213,200".*

Of the increase in the limitation on administrative expenses, \$158,000 is to provide for the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

The remainder of \$30,000 of the increase in limitation, as well as the limitation on expenses of travel, is required for the additional cost of employee travel allowances as authorized by the act of July 28, 1955 (Public Law 189).

FEDERAL NATIONAL MORTGAGE ASSOCIATION

*The limitation under this head in title II of the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$90,000" to "\$130,000".*

The \$40,000 increase in the limitation on expenses of travel is necessitated by an overall increase in the Association's operations,



especially the increased purchasing activity of the secondary market operations and the additional cost of employee travel allowances as authorized by the act of July 28, 1955 (Public Law 189).

#### FEDERAL HOUSING ADMINISTRATION

*The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from "\$5,900,000" to "\$6,720,000", and the limitation thereunder on the amount available for expenses of travel, is increased from "\$300,000" to "\$370,000": Provided, That the limitation under said head on the amount available for certain nonadministrative expenses of said Administration, is increased from "\$33,000,000" to "\$35,050,000".*

The \$820,000 increase in the limitation on administrative expenses is required for the following purposes: (1) to provide additional staff for the new and expanded programs authorized by the Housing Amendments of 1955 (Public Law 345) (\$145,000); (2) to provide for the continuation of the present staff and for additional personnel to be engaged in administrative and legal activity to recover excess mortgage proceeds improperly disbursed by certain mortgagor corporations under the section 608 multifamily housing program (\$130,000); (3) to provide for the increased cost of the audit performed for the Federal Housing Administration by the General Accounting Office in accordance with the provisions of the Government Corporation Control Act (\$145,000); (4) to provide for the additional cost of employee travel allowances authorized by the act of July 28, 1955 (Public Law 189) (\$45,000); and (5) to provide for the cost of pay increases pursuant to the act of June 28, 1955 (Public Law 94) (\$355,000).

The \$70,000 increase in the limitation on expenses of travel is necessary to provide for the increased travel costs resulting from the new and expanded programs together with the additional cost of employee travel allowances.

The increase in the limitation on nonadministrative expenses of \$2,050,000 is necessary to provide for the cost of pay increases pursuant to the act of June 28, 1955 (Public Law 94).

On August 25, 1955, this account was apportioned on a basis which indicated a necessity for a supplemental estimate, pursuant to section 3679 of the Revised Statutes, as amended. This action was reported to the Congress by the Director of the Bureau of the Budget on that date.

#### HOUSING INVESTMENT INSURANCE FUND

*The unexpended balance of funds appropriated to the Treasury Department under the head "Office of the Secretary, Housing Investment Insurance Fund", in the Supplemental Appropriation Act, 1949, is rescinded and shall be covered into the Treasury upon approval of this Act.*

The amount of \$9 million, representing the unexpended balance of funds appropriated to the Secretary of the Treasury to provide initial capital for the Federal Housing Administration's housing investment insurance fund is no longer needed. This fund provides for insurance of an annual return on investments in rental housing. Section 219 of the National Housing Act, as amended, now authorizes the transfer of funds between the several insurance funds established for the different programs of mortgage insurance, thereby eliminating the need for retaining available these appropriated funds.

PUBLIC HOUSING ADMINISTRATION

ADMINISTRATIVE EXPENSES

For an additional amount for "Administrative expenses", \$1,525,000.

An additional appropriation of \$885,000 is needed to enable the Public Housing Administration to undertake a development program leading to new contracts for loans and annual contributions for an additional 45,000 units of low-rent housing as authorized by the Housing Amendments of 1955 (Public Law 345).

The cost of the audit which is performed for the Public Housing Administration by the General Accounting Office in accordance with the provisions of the Government Corporation Control Act will require an additional \$60,000. The revised estimate of cost was supplied to the Public Housing Administration after the 1956 budget was sent to the Congress.

The additional cost of employee travel allowances authorized by the act of July 28, 1955 (Public Law 189), will require \$80,000.

The remaining \$500,000 is to provide for the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

On August 25, 1955, this account was apportioned on a basis which indicated a necessity for a supplemental estimate, pursuant to section 3679 of the Revised Statutes, as amended. This action was reported to the Congress by the Director of the Bureau of the Budget on that date.

*The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from "\$3,200,000" to "\$3,725,000", and shall be available for uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131); and the limitation thereunder on the amount available for expenses of travel, is increased from "\$530,000" to "\$690,000".*

The increase in the limitation on administrative expenses of \$1,525,000 is a language change necessary to permit the use of the additional funds requested for appropriation above.

The \$160,000 increase in the limitation on expenses of travel is necessary to provide for the additional travel requirements resulting from the expanded low-rent housing program as authorized by the Housing Amendments of 1955, and the additional cost of employee travel allowances as authorized by the act of July 28, 1955 (Public Law 189).

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:

"Research", \$2,217,530;

"Plant and animal disease and pest control", \$1,527,780, of which \$500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e), and the Act of August 13, 1954 (7 U. S. C. 148), to the extent necessary to meet emergency conditions; and

"Meat inspection", \$1,048,690.

This proposed supplemental appropriation includes \$4,294,000 to provide for pay increases granted by the act of June 28, 1955 (Public



Law 94), and an additional \$500,000 for the contingency fund under the subappropriation "Plant and animal disease and pest control." This contingency fund is being used to finance the Federal share of the costs of cooperative control programs against grasshoppers, Khapra beetle, Mexican fruitfly, European chafer, burrowing nematode, and soybean nematode. The \$1 million appropriated for the fiscal year 1956 will be exhausted soon after April 1, 1956, and additional funds will be needed to continue the control work through June 30, 1956.

#### FOREST SERVICE

##### SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:  
"National forest protection and management", \$2,478,500;  
"Fighting forest fires", \$5,250,000;  
"Control of forest pests", \$30,000; and  
"Forest research", \$455,000.

This proposed supplemental appropriation is necessary to provide \$500,000 for acceleration of timber sales in national forests, \$5,250,000 for fighting forest fires, and \$2,463,500 for the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

It is planned to increase the timber cut by 500 million board-feet for a total estimated cut of 7,250 million board-feet in fiscal year 1956. There is a strong demand for timber, and many mills are on curtailed production because of lack of timber. Large volumes of timber killed by fires last fall also need to be salvaged.

The need for additional funds for fighting forest fires results from one of the most critical fire seasons the western United States has experienced in the past 30 years. Conditions were so serious that it was necessary for the Department of Agriculture to utilize funds for fighting fires in excess of the amount appropriated for that purpose, as authorized by law. This supplemental appropriation is necessary to replace funds so used and to provide for estimated requirements for the remainder of the year.

On September 21, 1955, this appropriation was apportioned on a basis which indicated a necessity for a supplemental estimate, pursuant to section 3679 of the Revised Statutes, as amended. This action was reported to the Congress by the Director of the Bureau of the Budget on that date.

##### AGRICULTURAL CONSERVATION PROGRAM SERVICE

*The unobligated balance of the amount made available under this head in the Supplemental Appropriation Act, 1956, shall, subject to the same conditions, remain available until December 31, 1956, for the same purposes, for emergency measures to restore farm lands damaged by hurricanes and excessive floods, and for reimbursement to the appropriation to the President for "Disaster relief", for allocations to the Secretary of Agriculture for such purposes.*

The proposed provision is required to extend the availability of funds provided in the Supplemental Appropriation Act, 1956, for a program of cost-sharing assistance to individual farmers (1) to restore farmlands damaged by severe hurricanes in 1955 and to reimburse the emergency fund of the President for supplementing the regular program for this work, (2) to restore farmlands severely damaged by floods in California, Nevada, and Oregon in 1955, and (3) to carry out emergency-control measures in the southern Great Plains States in preparation for a serious wind-erosion situation this spring.

FARMERS' HOME ADMINISTRATION

LOAN AUTHORIZATIONS

*For loans under title V of the Housing Act of 1949, as amended, \$5,000,000, to remain available until expended: Provided, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in the manner authorized under this head in the Department of Agriculture Appropriation Act, 1952.*

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$1,620,000.

The foregoing proposed supplemental loan authorization for \$5 million and \$150,000 of the proposed supplemental appropriation are needed to enable the Department of Agriculture to carry out its responsibilities in connection with the farm-housing loan program for fiscal year 1956, as authorized by the act of August 11, 1955 (Public Law 345). The balance of the proposed appropriation, \$1,470,000, is required to meet the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

COMMODITY CREDIT CORPORATION

*The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, on the amount available for administrative expenses of the Corporation, is increased from "\$26,000,000" to "\$30,964,000."*

Because of increasing amounts of inventories and loan volume over and above the original estimates for the fiscal year 1956, the workload of the Corporation has continued to increase, and present estimates indicate an even higher workload level than was anticipated when this account was first apportioned. This estimate is to provide the additional administrative expense funds necessary to enable the Commodity Credit Corporation to meet its responsibilities for the remainder of this fiscal year. The estimate also includes \$1,716,877 to meet the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

On August 18, 1955, and again on January 31, 1956, this appropriation was apportioned on a basis which indicated a necessity for a supplemental estimate, pursuant to section 3679 of the Revised Statutes, as amended. These actions were reported to the Congress by the Director of the Bureau of the Budget on those dates.

DEPARTMENT OF COMMERCE

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$528,000, of which \$100,000 shall be derived by transfer from the appropriation granted in the Department of Commerce and Related Agencies Appropriation Act, 1956, for "Census of agriculture".

This proposed supplemental appropriation is needed to provide \$428,000 for the cost of pay increases granted by the act of June 28, 1955 (Public Law 94). The \$100,000 proposed to be transferred from the census of agriculture appropriation is to allow the Bureau of the Census to handle a recent increase in the number of trade documents which must be processed in developing foreign trade statistics.

## MARITIME ACTIVITIES

## SHIP CONSTRUCTION

*The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the number of cargo ships for replacement, for which payment may be made for construction-differential subsidy and national-defense features, is repealed.*

The present language limits to five the number of replacement cargo ships on which the Government may pay construction subsidies and national defense allowances. However, applications from ship operators call for construction of more than five ships. A larger number of ships could be accommodated within 1956 appropriations, primarily because the Government's share of the construction cost may, in certain cases, be limited solely to national-defense allowances. This proposal would permit greater flexibility in obtaining construction of the maximum number of ships within the amounts already appropriated.

## OPERATING-DIFFERENTIAL SUBSIDIES

For an additional amount for "Operating-differential subsidies", \$30,000,000, to remain available until expended.

This proposed supplemental appropriation is necessary to pay operating-differential subsidy bills presented by ship operators in fiscal year 1956 under existing contracts. Of the \$110 million appropriated in 1956, almost \$70 million has already been expended, and it is anticipated that the balance will be exhausted prior to April 1, 1956. The current outlook is for total requirements of \$140 million in this fiscal year.

## BUREAU OF PUBLIC ROADS

## FEDERAL-AID HIGHWAYS

For an additional amount for "Federal-aid highways", to remain available until expended, \$100,000,000, *which sum is a part of the amount authorized to be appropriated for the fiscal year 1955.*

This proposed supplemental appropriation is required for reimbursement to the States for the Federal share of the cost of highway construction projects initiated under contract authorizations previously provided in Federal-Aid Highway Acts. It is anticipated that funds presently available for this purpose will be exhausted by the end of April. These funds are necessary to make prompt payments to the States in the remaining portion of the current fiscal year.

## FOREST HIGHWAYS

For an additional amount for "Forest highways", to remain available until expended, \$4,000,000, *which sum is a part of the amount authorized to be appropriated for the fiscal year 1956.*

This proposed supplemental appropriation is largely for payment to contractors for highway construction work undertaken pursuant to contract authorizations included in Federal-Aid Highway Acts. It is anticipated that forest highway funds currently available for this purpose will be exhausted by late March. These funds are needed to cover payments coming due in the remaining portion of the fiscal year.



NATIONAL BUREAU OF STANDARDS

PLANT AND EQUIPMENT

*Not to exceed \$15,000 of the appropriation granted under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, shall be available for necessary expenses for the acquisition of land necessary for the operation of a radio propagation field station in the Territory of Hawaii.*

As the result of an expiring lease, the National Bureau of Standards finds it necessary to acquire possession of land on which certain radio propagation facilities are presently located near Maui, T. H. The proposed language would authorize purchase of the land using funds presently available to the Bureau.

DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

DEPARTMENT OF THE NAVY

AUDITED CLAIMS

*Applicable current appropriations of the Department of the Navy shall be available for the payment of claims certified by the Comptroller General to be otherwise due, in the amounts stated below, from the following appropriations:*

*"Pay, subsistence, and transportation, Navy", fiscal year 1943, \$7,070.23;*

*"Transportation of things, Navy", fiscal year 1948, \$1,108.12;*

*"Maintenance, Bureau of Supplies and Accounts, Navy", fiscal year 1943, \$1,316.35; and*

*"Maintenance, Bureau of Ships, Navy", fiscal year 1946, \$91,292.69.*

This proposed provision is necessary to authorize the payment from applicable current appropriations of claims certified by the Comptroller General to be due from lapsed appropriations which are exhausted.

DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

DEPARTMENT OF THE ARMY

RIVERS AND HARBORS AND FLOOD CONTROL

Operation and Maintenance, General

*For an additional amount for "Operation and maintenance, general", to remain available until expended, \$15,350,000, of which \$15,000,000 shall be available for carrying out the provisions of the Act of June 28, 1955 (Public Law 99).*

Heavy rainfall in late December 1955 over northern California, southern Oregon, and western Nevada resulted in disastrous floods which on many rivers exceeded all previously recorded stages and rates of discharge. These floods, which involved loss of life and widespread destruction, necessitated prompt action by the Corps of Engineers in flood fighting and rescue work and immediate prosecution of a program for the repair and restoration of threatened or damaged flood-control works.

The cost of emergency work in the flood areas is currently estimated at about \$14.5 million. Such costs are normally met from the emergency fund, reestablished by the act of June 28, 1955 (Public Law 99), which is financed through this appropriation. Since only \$7.9 million was available in the emergency fund prior to these floods, it was necessary for the Corps of Engineers to make allotments from other appropriations to finance this emergency work. A supplemental

appropriation of \$15 million is needed to reimburse those appropriations, so that the regular program of the Corps of Engineers can be carried forward in an orderly way, and to insure the availability of an adequate reserve in the emergency fund to meet normal requirements for further assistance during the rest of fiscal year 1956 and fiscal year 1957.

In addition, \$350,000 is needed for the regular activities carried out under the appropriation "Operation and maintenance, general," to finance the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

### OFFICE OF EDUCATION

#### PAYMENTS TO SCHOOL DISTRICTS

For an additional amount for "Payments to school districts" \$25,000,000.

This proposed supplemental appropriation is necessary to make payments to school districts for maintenance and operation of educational facilities in areas overburdened by Federal activities. These additional funds are needed primarily as a result of the act of August 12, 1955 (Public Law 382), which liberalized the eligibility of districts for Federal assistance and which postponed for an additional year the requirement that districts absorb a greater portion of the cost of educating federally connected children.

#### ASSISTANCE FOR SCHOOL CONSTRUCTION

For an additional amount for "Assistance for school construction", *including carrying out the provisions of the Act of August 12, 1955 (Public Law 382)*, \$9,900,000, to remain available until expended.

This proposed supplemental appropriation is necessary primarily as a result of the act of August 12, 1955 (Public Law 382) which liberalized the eligibility requirements of school districts so that more could qualify for Federal construction aid. In addition, more funds are estimated to be required to permit payments to all districts eligible for assistance under the act of September 23, 1950 (Public Law 815), as extended by the act of August 31, 1954 (Public Law 731). New and revised applications for aid and resurveys of eligibility under earlier applications indicate that funds currently available are insufficient.

### PUBLIC HEALTH SERVICE

#### GRANTS TO STATES FOR POLIOMYELITIS VACCINATION

For an additional amount for "Grants to States for poliomyelitis vaccination", \$33,000,000, *and such amount together with amounts previously appropriated under this head shall remain available until June 30, 1957: Provided, That this appropriation shall become effective only upon the enactment into law of S. 2990 or H. R. 8704, Eighty-fourth Congress.*

This proposed supplemental appropriation is required to complete the financing of the program of Federal assistance for poliomyelitis vaccination begun under the provisions of the Poliomyelitis Vaccination Assistance Act of 1955. The present authorization expires

February 15, 1956; identical bills now before the Congress to extend the act to June 30, 1957, have been favorably reported by the House and Senate committees concerned.

CONSTRUCTION OF RESEARCH FACILITIES

*For construction of a laboratory building for the biologics standards activities of the National Institutes of Health, and for expansion of and additional equipment for the boiler plant, including the preparation of plans, supervision, and fixed equipment, to remain available until expended, \$3,190,000, together with not to exceed \$310,000 of the unobligated balance of funds previously appropriated under this head.*

This proposed supplemental appropriation is to provide for the construction of a building to house the biologics standards activities of the National Institutes of Health and to provide for the related expansion of the boiler plant for added air-conditioning capacity. This estimate was submitted to and disallowed by the Congress last summer pending a more thorough examination and study; that has now been completed. Experience with testing and maintaining standards for poliomyelitis vaccine and now foreseen problems with other virus vaccines under development necessitates construction of a building designed for a maximum degree of adaptability to meet these rapidly changing requirements for biologics standards.

SOCIAL SECURITY ADMINISTRATION

GRANTS TO STATES FOR PUBLIC ASSISTANCE

For an additional amount for "Grants to States for public assistance", \$57,000,000.

The 1956 appropriation reflected an anticipated decrease in the caseloads of old-age assistance and aid to dependent children and in average monthly payments to recipients in all programs. More recent program developments indicate that a supplemental appropriation of \$57 million will be needed to meet the Federal share of increased State expenditures occasioned by increases in average payments to recipients on State rolls under all four programs, as well as an increase in caseloads over the original estimate in the aid-to-dependent children's program.

On August 31, 1955, this appropriation was apportioned on a basis which indicated the necessity for a supplemental estimate, pursuant to section 3679 of the Revised Statutes, as amended. This action was reported to the Congress by the Director of the Bureau of the Budget on that date.

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

RESEARCH IN THE UTILIZATION OF SALINE WATER

For an additional amount for "Research in the utilization of saline water", \$200,000.

This proposed supplemental appropriation is necessary to provide for urgent and meritorious research and developmental work as contemplated in the accelerated and expanded saline water conversion program authorized by the act of June 29, 1955 (Public Law 111).



OPERATION AND MAINTENANCE, SOUTHEASTERN POWER  
ADMINISTRATION

For an additional amount for "Operation and maintenance, Southeastern Power Administration", \$235,000.

This proposed supplemental appropriation is necessary in connection with the John H. Kerr project, for the purchase of additional electric power required under existing contracts and for carrying out the provisions of a recently executed contract with a private utility company to transmit federally generated power over its facilities. Amounts appropriated for 1956 to purchase power were based on average stream flows. It now appears that unfavorable water conditions will prevail for the remainder of fiscal year 1956 and that additional power must be purchased to meet existing contractual obligations to preference customers in this area.

## BUREAU OF LAND MANAGEMENT

## MANAGEMENT OF LANDS AND RESOURCES

For an additional amount for "Management of lands and resources", \$1,681,700.

This proposed supplemental appropriation is necessary to provide for processing the increasing backlog of applications for lease or purchase of public lands and mineral rights, acceleration of timber sales by 65 million board-feet, fire suppression costs, administration of two new laws relating to mining claims (Public Laws 167 and 359, 84th Cong.), and for the cost of pay increases granted by the act of June 28, 1955 (Public Law 94). Of the total estimate, \$581,700 is for pay increases.

## CONSTRUCTION

For an additional amount for "Construction", \$2,000,000, to remain available until expended.

This proposed supplemental appropriation is needed for the construction of access roads to reach and market presently inaccessible timber in the revested Oregon and California Railroad grant lands area in Oregon where there is a great demand for timber. This acceleration of the present road construction program will result in increased receipts from the sale of timber.

## BUREAU OF INDIAN AFFAIRS

## EDUCATION AND WELFARE SERVICES

For an additional amount for "Education and welfare services", \$1,871,000.

This proposed supplemental appropriation is necessary to meet increased costs of Indian education under Johnson-O'Malley contracts with the States, and for the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

Senate Report No. 1094, dated July 22, 1955, directed the Department of the Interior to review its contracts with the States under the Johnson-O'Malley Act to determine the amount of additional funds, if any, required to meet the responsibility of the Federal Government with respect to the education of Indian children. This



study has been completed and \$521,000 of the above amount is for this purpose. The remaining \$1,350,000 is needed to meet increased pay costs.

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For an additional amount for "Surveys, investigations, and research", \$1,650,000.

A supplemental appropriation of \$245,000 is needed to meet the costs of a comprehensive hydrologic survey of the floods of 1955 in northeastern United States, and for rehabilitation of gaging station facilities damaged by the floods. The balance of the proposed appropriation, \$1,405,000, is required to meet pay increases granted by the act of June 28, 1955 (Public Law 94).

NATIONAL PARK SERVICE

JONES POINT BRIDGE

*For expenses necessary for the construction of a bridge over the Potomac River pursuant to the provisions of the Act of August 30, 1954 (68 Stat. 963, 964), \$500,000, to remain available until expended: Provided, That the unexpended balance of the appropriation granted under this head in the Second Supplemental Appropriation Act, 1955, is hereby merged with this appropriation.*

This proposed supplemental appropriation is needed for land acquisition on the Maryland side of the Potomac River and for such approach grading as is necessary prior to contracting for construction of the bridge.

FISH AND WILDLIFE SERVICE

FEDERAL AID IN WILDLIFE RESTORATION

*For "Federal aid in wildlife restoration", an amount equal to 20 per centum of the accumulated unappropriated receipts in the "Federal aid to wildlife restoration fund" on August 12, 1955, and a like amount for each of the four next succeeding fiscal years, to be derived from said fund pursuant to the provisions of the Act of August 12, 1955 (69 Stat. 698): Provided, That the annual apportionments to the Territories of Alaska and Hawaii, and to Puerto Rico and the Virgin Islands authorized by section 8a of the Act of September 2, 1937 (16 U. S. C. 669g-1), as amended, may be increased by not to exceed 20 per centum.*

The act of August 12, 1955 (Public Law 375), authorizes the appropriation of accumulated balances in the Federal aid to wildlife restoration fund, totaling \$13,467,468.61. The act specifies that these balances be appropriated in five equal annual installments commencing in fiscal year 1956.

OFFICE OF TERRITORIES

ADMINISTRATION OF TERRITORIES

For an additional amount for "Administration of Territories", \$60,000.

This proposed supplemental appropriation is needed for the care of Alaskan insane patients. The appropriation for 1956 was based on an estimated average daily patient load of 341, while the patient load experienced thus far points to an average of 370 for the year.

## DEPARTMENT OF JUSTICE

## LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

## SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, general legal activities", \$550,000.

This proposed supplemental appropriation is necessary to cover costs of the general classified salary increases granted by the act of June 28, 1955 (Public Law 94) (\$470,000), salary increases granted the Assistant Attorneys General and the Solicitor General by the act of March 2, 1955 (Public Law 9) (\$30,000), and increased litigation connected with Indian claims (\$50,000).

## SALARIES AND EXPENSES, ANTITRUST DIVISION

For an additional amount for "Salaries and expenses, Antitrust Division", \$364,000.

This proposed supplemental appropriation is necessary to cover costs of the general classified salary increases granted by the act of June 28, 1955 (Public Law 94) (\$209,000), the salary increase granted the Assistant Attorney General by the act of March 2, 1955 (Public Law 9) (\$5,000), and to provide for the added responsibilities resulting from legislation enacted subsequent to the enactment of the Department of Justice Appropriation Act, 1956, principally Public Law 137 amending the Clayton Act and Public Law 185 relating to activities of the States under an oil and gas conservation compact.

## FEES AND EXPENSES OF WITNESSES

For an additional amount for "Fees and expenses of witnesses", \$200,000; *and the limitation under this head in the Department of Justice Appropriation Act, 1956, on the amount available for compensation and expenses of witnesses or informants, is increased from "\$175,000" to "\$250,000".*

On the basis of past experience and the present rate of obligation, it has been determined that additional funds will be required to pay fees and expenses of witnesses who appear on behalf of the Government in cases in which the United States is a party. On August 8, 1955, this appropriation was apportioned on a basis which indicated a necessity for a supplemental estimate, pursuant to section 3679 of the Revised Statutes, as amended. This action was reported to the Congress by the Director of the Bureau of the Budget on that date.

An increase in the limitation for expert witnesses under this appropriation from \$175,000 to \$250,000 will be necessary to meet an increasing number of cases requiring expert testimony. Despite the summer court vacation, obligations chargeable to this limitation as of January 6, 1956, were \$100,674, more than half of the amount presently available for the year.

## SALARIES AND EXPENSES, CLAIMS OF PERSONS OF JAPANESE ANCESTRY

For an additional amount for "Salaries and expenses, claims of persons of Japanese ancestry", \$712,000.

This proposed supplemental appropriation is necessary to cover costs of increased salary rates granted by the act of June 28, 1955

(Public Law 94), and for the payment of claims already adjudicated or expected to be adjudicated this fiscal year.

As of January 24, 1956, awards for the current year were \$309,910. It is estimated that an additional \$390,090 will be awarded during the remainder of the year. The remaining \$12,000 is required to cover costs of increased salary rates.

## DEPARTMENT OF LABOR

### BUREAU OF EMPLOYMENT SECURITY

#### UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES

For an additional amount for "Unemployment compensation for Federal employees", \$10,000,000, *to be derived by transfer from the appropriation "Unemployment compensation for veterans", fiscal year 1956.*

This appropriation pays unemployment compensation benefits for former Federal employees. The current appropriation for this purpose is \$20 million. Expenditures during the first half of the year have been at an annual rate substantially greater than this amount and recent applications have been at a level indicating somewhat higher costs in the second half of the year.

Based on experience with the level of benefit payments of the preceding months, this appropriation was apportioned on a basis which indicated a necessity for a supplemental estimate on August 18, 1955, pursuant to section 3679 of the Revised Statutes, as amended. This action was reported to the Congress by the Director of the Bureau of the Budget on that date.

### BUREAU OF LABOR STATISTICS

#### SPECIAL WAGE SURVEY

*For expenses necessary to enable the Bureau to conduct a special wage survey, including temporary employees at rates to be fixed by the Secretary without regard to the civil service laws and the Classification Act of 1949, as amended, to remain available until June 30, 1957, \$200,000, to be derived by transfer from the appropriation "Unemployment compensation for veterans", Bureau of Employment Security, fiscal year 1956.*

There is currently no reliable data on the hourly earnings of employees engaged in retail trades. Such data are needed to assist in formulating policies on revisions of the coverage provisions of the Fair Labor Standards Act. This proposed supplemental appropriation is needed to provide the necessary information. As the wage survey work will extend into the fiscal year 1957, it is recommended that the funds be available in both fiscal years 1956 and 1957.

## DEPARTMENT OF STATE

### PAYMENT TO FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

*For payment to the Foreign Service retirement and disability fund as authorized by the Foreign Service Act of 1946 (22 U. S. C. 1061-1116), \$1,236,000.*

No funds were requested in the 1956 budget for this item pending final decision on the method to be used in determining the amount of the Government's annual contribution to this and the civil service



retirement fund. A decision has been reached and the Congress has already provided funds for the Government's contribution to the civil service retirement fund for this year. Accordingly a supplemental appropriation is needed to provide for the Government's net share of cash disbursements from this fund during the fiscal year 1956.

#### EXTENSION AND REMODELING, STATE DEPARTMENT BUILDING

For an additional amount for "Extension and remodeling, State Department Building", to remain available until expended, \$900,000, to be transferred to the General Services Administration.

The Supplemental Appropriation Act, 1956, provided funds to begin the preparation of plans for extension and remodeling of the existing main building of the Department of State. When completed, this extension will accommodate all the Washington staff of the Department, including the International Cooperation Administration, in a single building rather than scattered, as at present, among 30 separate buildings. This additional sum is needed now to complete the plans and related preliminary work preparatory to securing bids for construction which is expected to start before the end of this calendar year.

#### CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", \$349,790.

This proposed supplemental appropriation is needed to provide funds for the United States to meet its full assessment for the calendar year 1955 budget of the World Health Organization. At the time the 1956 budget was transmitted to Congress there existed a statutory limitation of \$3 million on the amount the United States could contribute annually to this Organization. This limitation was subsequently revised by subsection 419 of the Mutual Security Act of 1955 to permit this Government to contribute up to one-third of the total assessments against active members of the Organization.

#### TREASURY DEPARTMENT

##### BUREAU OF ACCOUNTS

##### SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$163,000.

The penalty provision for failure to deposit taxes in Government depositaries as required by the Internal Revenue Code of 1954 (sec. 6656) has caused the number of depositary receipts to be processed by the Federal Reserve banks to increase over the original estimate on an annual basis by 391,000 depositary receipts. In addition a new regulation effective January 1, 1956, requires the processing of more farmer-employer depositary receipts. It is estimated that this will add 150,000 more receipts to the workload for the last 2 quarters; in all an increase of 541,000 receipts. The Federal Reserve banks are reimbursed by the Treasury Department for the cost of handling this work.

The proposed supplemental appropriation includes \$37,000 for the cost of the additional workload and \$126,000 for the cost of the pay increases granted by the act of June 28, 1955 (Public Law 94).



COAST GUARD.

RESERVE TRAINING

For an additional amount for "Reserve training", \$868,000, *to be derived by transfer from the appropriation "Acquisition, construction, and improvements"*.

This proposed supplemental appropriation is necessary to enable the Treasury Department to expand the Coast Guard Reserve program in accordance with the objectives of the Reserve Forces Act of 1955 (Public Law 305, approved August 9, 1955). The additional amount is to meet the costs of recruiting and other preparatory requirements.

DISTRICT OF COLUMBIA

FEDERAL PAYMENT TO DISTRICT OF COLUMBIA

For an additional amount for "Federal payment to District of Columbia", \$2,000,000, *of which \$750,000 shall be available only for capital outlay.*

A supplemental appropriation is proposed to bring the Federal payment to the District of Columbia for the fiscal year 1956 up to the \$20,000,000 amount authorized by the act of May 18, 1954 (Public Law 364). The 1956 budget estimate was based on this amount. Increases in salary and other operating costs subsequent to the enactment of the District of Columbia Appropriation Act, 1956, have contributed further to the need for restoration of the total amount of the authorization. Provision for this amount was made in the 1956 estimates included in the 1957 budget document.

(Out of District of Columbia funds)

OPERATING EXPENSES

METROPOLITAN POLICE

For an additional amount for "Metropolitan Police", \$240,000 of which \$36,000 shall be payable from the highway fund of the District of Columbia, as defined in the District of Columbia Appropriation Act, 1956.

This proposed supplemental appropriation is needed to pay members of the Metropolitan Police Force for services performed on days off during the recent transit strike.

DEPARTMENT OF PUBLIC HEALTH

For an additional amount for "Department of Public Health," \$150,000.

For an additional amount, fiscal year 1954, for "Freedmen's Hospital", \$137,489.

These proposed supplemental appropriations are needed for (1) expansion of the program for the care and treatment of indigent patients of the District of Columbia in eight private hospitals, and (2) reimbursement to the United States for services rendered to the District of Columbia by Freedmen's Hospital during fiscal year 1954 necessitated by an increased demand for services and increased patient costs.

## PUBLIC WELFARE

For an additional amount, fiscal year 1955, for "Department of Public Welfare", \$327,000.

This proposed supplemental appropriation is needed for care of boys committed to the National Training School for Boys by the Juvenile Court during the fiscal year 1955 due to the increased number of commitments to the school by the Court.

## DEPARTMENT OF HIGHWAYS

For an additional amount for "Department of Highways", \$393,000.

This proposed supplemental appropriation is needed for increased costs of electric street lighting necessitated by increased rates and service charges ordered by the Public Utilities Commission on May 6, 1955.

## SETTLEMENT OF CLAIMS AND SUITS

For the payment of claims in excess of \$250, approved by the Commissioners in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), \$44,708.

## JUDGMENTS

For the payment of final judgments rendered against the District of Columbia, as set forth in House Document Numbered 330 (Eighty-fourth Congress), \$18,728, together with such further sums as may be necessary to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same become due until the date of payment.

	Amount of judgment	Costs	Total
George L. Abell et al.....		\$436.35	\$436.35
Spottswood Thomas Bolling et al.....		194.19	194.19
Walter Green.....	\$6,000	51.60	6,051.60
Samuel M. Greenbaum, trustee in bankruptcy.....		123.85	123.85
Margaret Larry.....	2,000		2,000.00
National Wildlife Federation.....		31.00	31.00
Aileen Randle.....	5,000	164.15	5,164.15
Paul Wendel.....		289.30	289.30
Beatrice Williams.....	1,800	636.96	2,436.96
Joseph L. Young, a minor by his next friend, Alice M. Young, and Henry L. Young.....	2,000		2,000.00
Total.....	16,800	1,927.40	18,727.40

## AUDITED CLAIMS

For an additional amount for the payment of claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which have been exhausted or credited to the general fund of the District of Columbia as provided by law (D. C. Code, title 47, sec. 130a), being for the service of the fiscal year 1953 and prior fiscal years, as set forth in House Document Numbered 330 (Eighty-fourth Congress), \$85,785,

together with such further sums as may be necessary to pay the interest on audited claims for refunds at not exceeding 4 per centum per annum as provided by law (Act of July 10, 1952, 66 Stat. 546, sec. 14d).

Salaries and expenses, Collector's Office, District of Columbia, 1949, refunds.....	\$260. 44
Salaries and expenses, Collector's Office, District of Columbia, 1950, refunds.....	278. 55
Salaries and expenses, Agency Services, Public Welfare, District of Columbia, 1950.....	36. 18
Salaries and expenses, Collector's Office, District of Columbia, 1951.....	1, 909. 35
General supervision and instruction, public schools, District of Columbia, 1951.....	1, 551. 00
Salaries and expenses, Collector's Office, District of Columbia, 1952, refunds.....	6, 262. 85
Salaries and expenses, fiscal services, District of Columbia, 1952, Collector's Office, refunds.....	1, 072. 19
Salaries and expenses, Metropolitan Police, District of Columbia, 1952, personal services.....	98. 42
Reimbursement to the United States, Freedmen's Hospital, District of Columbia, 1952.....	10, 369. 00
Reimbursement to the United States, Freedmen's Hospital, District of Columbia, 1953.....	29, 423. 00
Salaries and expenses, fiscal services, District of Columbia, 1953, Collector's Office, refunds.....	121. 72
Operating expenses, Department of Corrections, District of Columbia, 1953, support of prisoners.....	34, 401. 73
Total.....	85, 784. 43

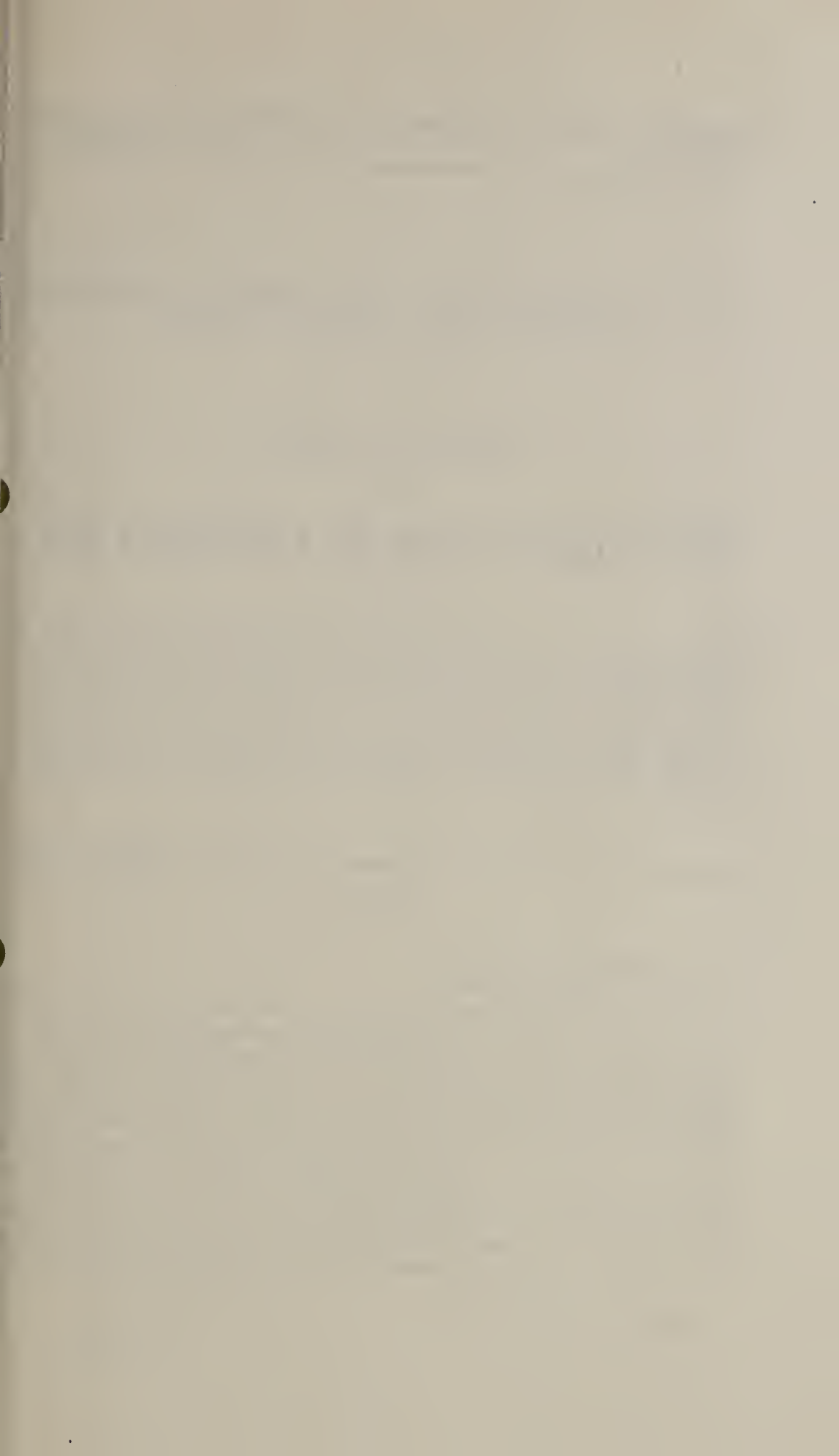
#### DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Acts for the fiscal years involved.

These amounts are for settlement of claims approved by the Commissioners in accordance with the act of February 11, 1929, as amended; for the payment of final judgments rendered against the District of Columbia by the Courts; and for payment of claims certified by the accounting officers of the District to be due and payable under appropriations the balances of which have either been exhausted or credited to the general fund of the District of Columbia as provided by law.









PROPOSED SUPPLEMENTAL APPROPRIATION TO PAY  
CERTAIN CLAIMS AND JUDGMENTS

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COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A PROPOSED SUPPLEMENTAL APPROPRIATION TO PAY CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS RENDERED AGAINST THE UNITED STATES, AS PROVIDED BY VARIOUS LAWS, IN THE AMOUNT OF \$1,614,562, TOGETHER WITH SUCH AMOUNTS AS MAY BE NECESSARY TO PAY INDEFINITE INTEREST AND COSTS AND TO COVER INCREASES IN RATES OF EXCHANGE AS MAY BE NECESSARY TO PAY CLAIMS IN FOREIGN CURRENCY

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MARCH 12, 1956.—Referred to the Committee on Appropriations and ordered to be printed

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THE WHITE HOUSE,  
Washington, March 8, 1956.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of the Congress a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of \$1,614,562, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency.

The details of this proposed appropriation, the necessity therefor, and the reasons for its submission at this time are set forth in the attached letter from the Director of the Bureau of the Budget, with whose comments and observations thereon I concur.

Respectfully yours,

DWIGHT D. EISENHOWER.

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
Washington 25, D. C., March 7, 1956.

The PRESIDENT,  
*The White House.*

SIR: I have the honor to submit herewith for your consideration a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of \$1,614,562, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency, as follows:

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in House Document Numbered 355, Eighty-fourth Congress, \$1,614,562, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

The details of the proposed supplemental appropriation covered in the letters from the various departments and agencies are set forth in the attachment to this letter.

In accordance with the provision of law providing for this submission, I recommend that this proposed appropriation be transmitted to the Congress.

Respectfully yours,

ROWLAND HUGHES,  
*Director of the Bureau of the Budget.*



# SUMMARY OF AMOUNTS INCLUDED IN THE PROPOSED SUPPLEMENTAL APPROPRIATION TO PAY CERTAIN CLAIMS AND JUDGMENTS

## DAMAGE CLAIMS

Department of Defense:	
Department of the Navy-----	\$2, 855. 52
Department of the Air Force-----	57, 885. 26
Total, damage claims-----	60, 740. 78

## OTHER CLAIMS

Department of Justice-----	10, 639. 43
Indian Claims Commission-----	1, 156, 034. 35
Total, other claims-----	1, 166, 673. 78

## JUDGMENTS

Court of Claims:	
Independent offices: Veterans Administration-----	12, 510. 68
Department of Defense:	
Department of the Army-----	54, 000. 00
Department of the Air Force-----	72, 187. 70
Department of the Interior-----	9, 987. 26
Total, court of claims judgments-----	148, 685. 64
United States district courts:	
Independent offices: Veterans Administration-----	5, 017. 00
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DAMAGE CLAIMS  
DEPARTMENT OF DEFENSE  
DEPARTMENT OF THE NAVY

DEPARTMENT OF THE NAVY,  
OFFICE OF THE SECRETARY,  
*Washington, February 22, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget,*  
*Washington 25, D. C.*

MY DEAR MR. HUGHES: In accordance with Public Law 277, 79th Congress, approved on December 28, 1945, which made applicable to the Department of the Navy the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), and which provides for the settlement of claims for damage to or loss or destruction of property, or personal injury or death, caused by military personnel or civilian employees acting within the scope of their employment or otherwise incident to the noncombat activities of the Department of the Navy or of the Navy, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 the claim set forth below for damage to property as hereinafter specified.

The claim arose in 1955 and was presented in writing within the statutory period provided for in the act. The amount found due the claimants, which claimants have agreed to accept in full satisfaction and final settlement of their claim, is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to the Congress for its consideration and it is recommended that it be submitted to Congress for appropriation for the payment thereof. A brief statement of the character of the claim, the amount claimed, and the amount reported follows:

Mark N. Brown and Dois B. Brown, Route 1, Burns, Tenn. On June 25, 1955, U. S. Navy F9F-6 aircraft, BuNo. 128265, while being piloted by a naval aviator on a duly authorized cross-country flight, crashed on property of the claimants near Burns, Tenn., due to fuel exhaustion. As a result of this crash the damage to claimants' property amounted to \$1,689.60.

Amount claimed, \$2,640; amount reported, \$1,689.60.

Sincerely yours,

THOMAS S. GATES, Jr.,  
*Under Secretary of the Navy.*



DEPARTMENT OF THE NAVY,  
OFFICE OF THE SECRETARY,  
*Washington, February 2, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget,*  
*Washington 25, D. C.*

My DEAR MR. HUGHES: In accordance with Public Law 277, 79th Congress, approved on December 28, 1945, which made applicable to the Department of the Navy the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), and which provides for the settlement of claims for damage to or loss or destruction of property, or personal injury or death, caused by military personnel or civilian employees acting within the scope of their employment or otherwise incident to the noncombat activities of the Department of the Navy or of the Navy, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 the claim set forth below for damage to property as hereinafter specified.

The claim arose in 1955 and was presented in writing within the statutory period provided for in the act. The amount found due the claimant, which claimant has agreed to accept in full satisfaction and final settlement of its claim, is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to the Congress for its consideration and it is recommended that it be submitted to Congress for appropriation for the payment thereof. A brief statement of the character of the claim, the amount claimed, and the amount reported follows:

Southern California Edison Co., Post Office Box 351, Los Angeles 53, Calif. On July 26, 1955, a United States Navy AD5N aircraft, while being piloted by a naval aviator on a duly authorized flight, struck and severed high voltage power lines of the claimant located approximately 8 miles east of Hanford, Calif., thereby causing secondary damages to claimant's substation and transmission facilities located approximately 1½ miles from the point of initial damage to the powerlines. As a result of this incident claimant's property was damaged in the amount of \$1,165.92.

Amount claimed, \$1,165.92; amount allowed, \$1,165.92.

Sincerely yours,

J. H. SMITH, Jr.,  
*Assistant Secretary of the Navy.*

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DEPARTMENT OF THE AIR FORCE

DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
*Washington, February 24, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The incident which gave rise to the claim occurred on July 14, 1955, near Barksdale Air Force Base, La., and claim was presented within the time prescribed in the act. The claimant is Mr. J. Homer Gardner. The amount found due the claimant is \$2,495.36, the amount claimed. Accordingly, the claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to the Congress for its consideration and appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed and the amount reported follows:

On July 14, 1955, a USAF B-47E type aircraft, on a duly authorized mission from Barksdale Air Force Base, La., crashed approximately 8 miles south of Barksdale Air Force Base, causing damage to claimant's growing crops of cotton, alfalfa, and corn, for which claim has been filed.

Amount claimed, \$2,495.36; amount reported, \$2,495.36.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
*Washington, February 23, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000, a claim for damage to property as hereinafter specified.

The incident which gave rise to the claim occurred on April 15, 1955, near Alexandria, La., and claim was presented within the time prescribed in the act. The claimant is the Southern Bell Telephone & Telegraph Co., Alexandria, La. The amount found due the claimant is \$1,479.74, the amount claimed. Accordingly, the claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to the Congress for its consideration and appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed, and the amount reported follows:

On April 15, 1955, an F-84 type aircraft crashed 5 miles south of Alexandria, La., causing extensive damage to claimant's telegraph and electrical lines for which claim has been filed.

Amount claimed, \$1,479.74; amount reported, \$1,479.74.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
Washington, February 10, 1956.

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The claim arose on September 9, 1952, and was presented within the time prescribed in the act. The claimant is Pan American World Airways System, Pacific-Alaska Division, International Airport, San Francisco, Calif. The amount found due the claimant is \$1,990.62 which is the full amount claimed. Accordingly, on the basis of the foregoing, the claim is hereby certified as being of the character contemplated by the provisions of the act for reporting to the Congress for its consideration and appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed and the amount reported follows:

On September 9, 1952, while the USAF was transporting claimant's R-2000 type aircraft engine from Hickam Air Force Base to Honolulu International Airport on a tractor-trailer truck, it became detached from the vehicle causing the damage for which claim has been filed.

Amount claimed, \$1,990.62; amount reported, \$1,990.62.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
Washington, February 10, 1956.

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The incident which gave rise to the claim occurred on June 5, 1954, at Gage, Okla., and claim was presented within the time prescribed in the act. The claimant is the town of Gage, Okla. The amount found due the claimant is \$2,400 which it has agreed to accept in writing in full satisfaction and final settlement of its claim. Accordingly, the claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to the Congress for its consideration and appropriation of funds for the payment thereof.



A brief statement of the character of the claim, the amount claimed and the amount reported follows:

On June 5, 1954, a USAF C-124A made an emergency landing at the Gage Municipal Airport, Gage, Okla. Due to the weight of the aircraft, the asphalt runway suffered damages for which claim has been filed.

Amount claimed, \$3,750; amount reported, \$2,400.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
*Washington, January 30, 1956.*

Hon. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The claim arose on February 28, 1955 and was presented within the time prescribed in the act. The claimants are T. Sgt. James C. Sapp, 806th Air Base Group, Lake Charles Air Force Base, La., the Preferred Insurance Co., Box 75, Grand Rapids 1, Mich., and the Fidelity & Casualty Company of New York, Gayle Building, 500 Broad Street, Lake Charles, La., the last two being subrogees of Technical Sergeant and Mrs. Sapp. The amount found due the claimants is \$6,357.72 in which Technical Sergeant Sapp has an interest of \$1,803.75, the Preferred Insurance Co. an interest of \$3,600, and the Fidelity and Casualty Company of New York an interest of \$953.97. All the claimants have agreed, in writing, to accept the above awards in full and final settlement of the claim.

Accordingly, the combined claim is hereby certified as being of the character contemplated by the provisions of the act for report to the Congress for its consideration and the appropriation of funds for the payment thereof. It is recommended that the method of payment recognize the divisible interests of the parties involved and that separate checks be issued to T. Sgt. James C. Sapp, the Preferred Insurance Co., and the Fidelity & Casualty Company of New York in the amounts of \$1,803.75, \$3,600, and \$953.97, respectively.

A brief statement of the character of the claim, the amount claimed and the amount reported follows:

On February 28, 1955, a USAF aircraft, on an authorized flight, crashed at Lake Charles, La., causing damage to Technical Sergeant Sapp's trailer, the personal property contained therein, and to his Buick sedan, for which claims have been presented.

Amount claimed, \$6,455.47; amount reported, \$6,357.72.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
Washington, January 30, 1956.

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the provisions of the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The claim arose during the month of May 1954 and was presented within the time prescribed in the act. The claimant is Mr. Lee Roy Findley, Route 2, Big Spring, Tex. The amount found due the claimant is \$3,758.55 which he has agreed to accept in writing in full satisfaction and final settlement of his claim. The claim is hereby certified as being of the character contemplated by the provisions of the act for report to the Congress for appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed, and the amount reported is as follows:

In the construction of Webb Air Force Base, the United States materially altered the natural drainage in the immediate vicinity of the airport causing excessive water to gather on the farms immediately adjacent thereto during exceptionally heavy rains. In the month of May 1954 the property of the claimant was flooded inflicting some permanent damage to his realty and causing a loss to growing crops.

Amount claimed, \$6,506.30; amount reported, \$3,758.55.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
Washington, January 30, 1956.

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the provisions of the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The claim arose during the month of May 1954 and was presented within the time prescribed in the act. The claimant is Mr. Tom E. Castle, 1105 North Gregg, Big Spring, Tex. The amount found due the claimant is \$1,218 which he has agreed to accept in writing in full satisfaction and final settlement of his claim. The claim is hereby certified as being of the character contemplated by the provisions of the act for report to the Congress for appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed, and the amount reported is as follows:

In the construction of Webb Air Force Base, the United States materially altered the natural drainage in the immediate vicinity of the airport causing

excessive water to gather on the farms immediately adjacent thereto during exceptionally heavy rains. In the month of May 1954, the property of the claimant was flooded inflicting damage to growing crops for which claim has been made.

Amount claimed, \$2,514; amount reported, \$1,218.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
*Washington, January 30, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of January 2, 1942 (55 Stat. 880; 31 U. S. C. 224d), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$5,000 a claim for personal injuries as hereinafter specified.

The claim arose on September 29, 1954, and was presented within the time prescribed in the act. The claimant is Maxime Benguigui, 56 Boulevard Moulay-Youssef, Casablanca, French Morocco. The amount found due the claimant is 2,353,766 Moroccan francs (approximately \$6,726) which sum he has agreed in writing to accept in full satisfaction and final settlement of his claim. Accordingly, the claim is certified as being of the character contemplated by the provisions of the act for report to the Congress for its consideration and appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed and the amount reported follows:

On September 29, 1954, the claimant sustained personal injuries as the result of an accident involving a car driven by him and a USAF vehicle at Place de France, Casablanca, French Morocco.

Amount claimed, 4,986,138 francs (approximately \$14,248.14); amount reported, 2,353,766 francs (approximately \$6,726).

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
*Washington, January 30, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the provisions of the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The claim arose during the month of May 1954 and was presented within the time prescribed in the act. The claimant is Mr. Cecil Leatherwood, Route 2, Box 94, Big Spring, Tex. The amount found



due the claimant is \$2,146.70 which he has agreed to accept in writing in full satisfaction and final settlement of his claim. The claim is hereby certified as being of the character contemplated by the provisions of the act for report to the Congress for appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed, and the amount reported is as follows:

In the construction of Webb Air Force Base, the United States materially altered the natural drainage in the immediate vicinity of the airport causing excessive water to gather on the farms immediately adjacent thereto during exceptionally heavy rains. In the month of May 1954 the property of the claimant was flooded inflicting some permanent damage to his realty and causing a loss to growing crops.

Amount claimed, \$2,562.70; amount reported, \$2,146.70.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
*Washington, January 30, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The claims arose on March 25, 1955, and were presented within the time prescribed in the act. The claimants are Joe and Helen Ledgerwood, 111 East Franklin Street, El Paso, Tex., the Philadelphia Fire & Marine Insurance Co., Majestic Building, San Antonio, Tex., and the American Underwriters Agency of the Insurance Company of the State of Pennsylvania, 111 William Street, New York 38, N. Y. The amount found due the claimants is \$11,272.69 (\$2,100.27 to Joe and Helen Ledgerwood, \$3,000 to the Philadelphia Fire & Marine Insurance Co., and \$6,172.42 to the American Underwriters Agency of the Insurance Company of the State of Pennsylvania). The claimants have agreed in writing to accept the foregoing amounts in full satisfaction and final settlement of their respective interests in this matter.

The claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for reporting to the Congress for its consideration and appropriation of funds for the payment thereof. It is recommended that separate checks be issued to Joe and Helen Ledgerwood, and the Philadelphia Fire &



Marine Insurance Co., and the American Underwriters Agency of the Insurance Company of the State of Pennsylvania, in the amounts of \$2,100.27, \$3,000, and \$6,172.42, respectively.

A brief statement of the character of the claims, the total amount claimed and the amount reported follows:

On March 25, 1955, a USAF aircraft, on an authorized flight, crashed in the vicinity of the Foster-Heights Addition, El Paso, Tex., causing damage to the Ledgerwood property for which the combined claim has been filed.

Amount claimed, \$11,565.64; amount reported, \$11,272.69.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
*Washington, January 30, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, and AFR 112-3, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000, a claim for damage to property as hereinafter specified.

The incident which gave rise to the claim occurred on May 14, 1954, and was presented in writing within the time provided in the act. The claimants are William and Lester Barton, whose address is care of Barkalow, McGowan & Krusen, attorneys at law, 2 East Main Street, Freehold, N. J. The amount found due the claimants is \$2,500, which sum the claimants have agreed in writing to accept in full satisfaction and final settlement of their claim. The claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to the Congress for the appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed, and the amount reported follows:

On May 14, 1954, a USAF F-86D aircraft, on an official mission, developed mechanical trouble and it became necessary for the pilot to abandon the aircraft. The aircraft crashed on the farm of William and Lester Barton located in Adelphia, N. J. As a result of the crash, claimants sustained extensive damage to growing crops and personal property for which claim has been filed.

Amount claimed, \$2,906, amount reported, \$2,500.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
*Washington, January 30, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the provisions of the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The incident which gave rise to the claim occurred on February 28, 1955, at Lake Charles, La. The claimant is Gulf States Utilities Co., 314 Broad Street, Lake Charles, La. The amount found due the claimant is \$1,145.60. The claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to the Congress for an appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed and the amount reported follows:

On February 28, 1955, a USAF B-47-type aircraft while on an authorized flight crashed at North Grace and Moeling Streets, Lake Charles, La. The aircraft struck the claimant's distribution lines, causing extensive damage thereto for which claim has been filed.

Amount claimed, \$1,145.60; amount reported, \$1,145.60.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
*Washington, January 30, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The incident which gave rise to the claim occurred on January 26, 1954, when a USAF aircraft on an official training flight crashed and exploded in the vicinity of the property owned by Thomas C. and Edna V. Cox located at 1008 Northeast 122d Avenue, Portland, Oreg. Extensive damage was sustained by the Cox property. The claimants are Empire State Insurance Co. and Automobile Insurance Co., address of both companies, care of Bates, Lively & Pearson, general agents, Portland Trust Building, Portland, Oreg., subrogees of Mr. and Mrs. Cox. The total amount found due the claimants is \$3,039.05 in which the Empire State Insurance Co. has an interest of \$1,746.04 and the Automobile Insurance Co. an interest of \$1,293.01. Accordingly, the claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to the Congress for its consideration and appropriation of funds for the payment thereof. It is recommended that the method of payment

recognize the divisible interests of the parties involved and that separate checks be issued to Empire State Insurance Co. and Automobile Insurance Co. in the amounts of \$1,746.04 and \$1,293.01, respectively.

A brief statement of the character of the claim, the amount claimed and the amount reported follows:

On January 26, 1954, a USAF aircraft, F-94, on a training flight from Portland International Airport, Portland, Oreg., crashed in the vicinity of the home of Thomas C. and Edna V. Cox located at 1008 Northeast 122d Avenue, Portland, Oreg., causing damage to the said property for which claim has been filed.

Amount claimed, \$3,039.05; amount reported, \$3,039.05.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
Washington, January 30, 1956.

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The claim arose on June 28, 1955, and was presented within the time prescribed in the act. The claimant is the Cutter-Carr Flying Service, Inc., West Mesa Airport, Post Office Box 274, Albuquerque, N. Mex. The amount found due the claimant is \$4,144.26, which is the full amount claimed.

Accordingly, on the basis of the foregoing, the claim is hereby certified as being of the character contemplated by the provisions of the act for reporting to the Congress for its consideration and appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed and the amount reported follows:

On June 28, 1955, a USAF jet aircraft on an authorized interception mission accidentally collided with claimant's twin Beechcraft airplane causing the damage for which claim has been filed.

Amount claimed, \$4,144.26; amount reported, \$4,144.26.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
Washington, January 30, 1956.

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The incident which gave rise to the claim occurred on August 3, 1954, in Wantagh, N. Y. The claimants are The North River Insur-



ance Co., 110 William Street, New York, N. Y., subrogee, and Anthony J. Kali, 3469 Roxbury Avenue, Wantagh, N. Y., subrogor. The amount found due the claimants is \$4,245.20, in which the North River Insurance Co. has an interest of \$4,157.70, and Mr. Kali an interest of \$87.50. Accordingly, the claim is hereby certified as having been determined to be of the character contemplated by the provisions of the act for report to the Congress for an appropriation of funds for the payment thereof. It is recommended that the method of payment recognize the divisible interests of the parties involved and that separate checks be issued to the North River Insurance Co. and Anthony J. Kali in the amounts of \$4,157.70 and \$87.50, respectively.

A brief statement of the character of the claim, the amount claimed and the amount reported follows:

On August 3, 1954, a USAF F-84G aircraft, while on an authorized flight from Dover Air Base, Del., to Dow Air Force Base, Bangor, Maine, crashed on Denver Road, Wantagh, N. Y., causing damage to both real and personal property. As a result of the crash, the residence of Mr. Anthony J. Kali, located near the site of the crash, sustained extensive damage for which claim has been filed.

Amount claimed, \$4,245.20; amount reported, \$4,245.20.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*

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DEPARTMENT OF THE AIR FORCE,  
OFFICE OF THE SECRETARY,  
*Washington, January 19, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget.*

DEAR MR. DIRECTOR: In accordance with the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), as amended, this Department has considered, ascertained, adjusted, and determined in an amount in excess of \$1,000 a claim for damage to property as hereinafter specified.

The claim arose on May 10, 1954, and was presented within the time prescribed in the act. The claimant is Barbara Jazombek and her address is care of Henry Tasker, attorney at law, Greenport, Suffolk County, N. Y. The amount found due the claimant is \$2,965.77, which she has agreed in writing to accept in full satisfaction and final settlement of her claim. The claim is hereby certified as being of the character contemplated under the provisions of the act for reporting to the Congress for its consideration and appropriation of funds for the payment thereof.

A brief statement of the character of the claim, the amount claimed and the amount reported follows:

On May 10, 1954, a USAF aircraft, on an authorized mission, crashed in the vicinity of Sound Avenue, Mattituck, N. Y., causing damage to claimant's growing crops and real property, for which claim has been filed.

Amount claimed, \$7,271.66; amount reported, \$2,965.77.

Sincerely yours,

LYLE S. GARLOCK,  
*Assistant Secretary of the Air Force.*



## OTHER CLAIMS

TREASURY DEPARTMENT,  
*Washington 25, March 5, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget,*  
*Washington 25, D. C.*

DEAR MR. HUGHES: An appropriation will be required for payment of adjudications by the Attorney General of claims of Japanese-Americans evacuated from military zones (act of July 2, 1948, 62 Stat. 1231; 50 U. S. C. 1981-87), in the amount of \$10,639.43. These claims are itemized on schedule A attached hereto. The total amount may be established in an appropriation under the Treasury Department.

Very truly yours,

W. L. JOHNSON,  
*Budget Officer, Treasury.*

## SCHEDULE A

*Adjudication by the Attorney General of claims of Japanese-Americans evacuated from military zones*

## DEPARTMENT OF JUSTICE

Docket No.	Claimant	Amount	Date of award	Presented to Treasury	Nature of claim
146-35-9948	Ichiji Yanaba-----	\$4,160.27	Jan. 24, 1956	Feb. 2, 1956	Loss on real and/or personal property. Do.
146-35-13466	Sumio Doi-----	6,479.16	-----do-----	-----do-----	
	Total-----	10,639.43			

TREASURY DEPARTMENT,  
*Washington 25, March 5, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget,*  
*Washington 25, D. C.*

DEAR MR. HUGHES: An appropriation will be required for the payment of a judgment presented to this Department, which has been rendered by the Indian Claims Commission in the amount of \$1,156,034.35 in favor of the Otoe and Missouri Tribe of Indians, as set forth on schedule A-1 attached. This amount may be established in an appropriation under the Treasury Department.

Very truly yours,

W. L. JOHNSON,  
*Budget Officer, Treasury.*

## SCHEDULE A-1

*Judgment rendered by the Indian Claims Commission against the United States—  
Treasury Department, Fiscal Service, Bureau of Accounts, Budget and Administrative Accounts Branch*

Docket No.	Claimant	Amount	Date of judgment	Presented to Treasury	Nature of claim
11	INDIAN CLAIMS COMMISSION Otoe and Missouri Tribe of Indians.	\$1,156,034.35	Dec. 11, 1953	Mar. 1, 1956	Just compensation.

## JUDGMENTS

TREASURY DEPARTMENT,  
*Washington 25, March 5, 1956.*

HON. ROWLAND R. HUGHES,  
*Director, Bureau of the Budget,  
Washington 25, D. C.*

DEAR MR. HUGHES: An appropriation will be required for the payment of judgments presented to this Department, which have been rendered by the Court of Claims and the United States district courts, in an aggregate amount of \$387,146.72, together with such amounts as may be necessary to pay indefinite interest and costs, as follows:

Court of Claims: Payable from the general fund (schedule B)-----	\$148,685.64
United States district courts:	
Payable from the general fund (schedule C)-----	224,801.59
Payable from postal revenues (schedule C-1)-----	13,659.49
Total-----	387,146.72

These totals are itemized by department in the appended schedules. However, the amounts shown on schedules B and C may be included in one appropriation to be established under Treasury Department. It is, of course, understood that none of the judgments shall be paid until the right of appeal has expired.

Very truly yours,

W. L. JOHNSON,  
*Budget Officer, Treasury.*

*Judgments rendered by the Court of Claims against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Budget and Administrative Accounts Branch*

PROPOSED SUPPLEMENTAL APPROPRIATION

Docket No.	Claimant	Amount	Date of judgment	Presented to Treasury	Released by Justice	Nature of claim
	INDEPENDENT OFFICES					
	VETERANS ADMINISTRATION					
198-53	National L-P Gas Institute, Inc.	\$12,510.68	Dec. 30, 1955	Feb. 7, 1956	Feb. 9, 1956	Breach of contract.
	DEPARTMENT OF DEFENSE					
	DEPARTMENT OF THE ARMY					
347-53	Genevieve Keyes Rector and Mrs. Ed Spragins	154,000.00	Jan. 31, 1956	Feb. 21, 1956	Jan. 31, 1956	Flooding of mineral estates.
	DEPARTMENT OF THE AIR FORCE					
50011	Robertson Aircraft Corp.	72,137.70	do	Feb. 14, 1956	Feb. 14, 1956	Breach of contract.
	DEPARTMENT OF THE INTERIOR					
330-55	Bertha G. McClure, administratrix, estate Thomas A. McClure	1,643.82	do	Feb. 8, 1956	Feb. 10, 1956	Overtime pay, Alaska Road Commission.
330-55	Merton J. Atwood	78.00	do	do	do	Do.
330-55	Samuel A. Wanner	856.55	do	do	do	Do.
212-55	Lottie Carlson, administratrix, estate of William Carlson	341.58	do	do	do	Do.
380-55	Donald Ingalls	954.38	do	do	do	Do.
237-55	William Price, executor of the estate of Herman Price, deceased	2,792.65	Oct. 4, 1955	Feb. 20, 1956	Oct. 6, 1955	Do.
312-55	Willard C. Hash	194.38	Dec. 6, 1955	Feb. 23, 1956	Jan. 5, 1956	Do.
216-55	Harry M. Campbell	442.35	Oct. 4, 1955	Mar. 1, 1956	Oct. 6, 1955	Do.
216-55	Martin O'Brien, as administrator * * of Henry Herbert Rokey	1,367.25	do	do	do	Do.
216-55	Henry J. Fallage	983.30	do	do	do	Do.
216-55	Ralph Seaman	313.00	do	do	do	Do.
	Total	9,987.26				
	Grand total	148,685.64				

<sup>1</sup> With interest as specified.

## SCHEDULE C

*Judgments rendered by the United States district courts against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Budget and Administrative Accounts Branch*

Docket No. and court	Claimant	Amounts awarded in decree (interest as authorized)		Date of judgment	Received from Justice	Act and nature of claim
		Principal	Cost			
Civil 55C 110, northern district of Illinois.	INDEPENDENT OFFICES VETERANS ADMINISTRATION					
	Sarah S. Whatley.....	\$5,000.00	\$17.00	Oct. 24, 1955	Feb. 16, 1956	Federal Tort Claims Act; personal injuries.
	Total.....	5,017.00				
Civil 3890, western district of Washington.	DEPARTMENT OF AGRICULTURE					
	Frances Benson.....	32,362.55	64.30	Dec. 12, 1955	Feb. 24, 1956	Do.
	Total.....	32,426.85				
Civil 98-76, southern district of New York. Civil 91-396, southern district of New York. Admiralty 170-78, southern district of New York. Civil 4945, district of Minnesota.....	DEPARTMENT OF DEFENSE					
	DEPARTMENT OF THE ARMY					
	James Hughes, Inc.....	750.00		Jan. 16, 1956	Feb. 2, 1956	Suits in Admiralty Act; breach of contract.
	do.....	1,365.65		Jan. 18, 1956	do.....	Do.
	Jaime Coutinho Galvao.....	250.00		Nov. 10, 1955	do.....	Public Vessels Act; personal injuries.
Civil 10013 (3), eastern district of Missouri. Civil 7164, northern district of California.	Cargill, Inc.....	4,273.62		Jan. 18, 1956	do.....	Tucker Act; recovery of amounts claimed as an allocation of the Minnesota War Risk Contributions Act.
	Gruner-Fisher Co., a corporation.....	1,508.10		Oct. 11, 1955	Feb. 6, 1956	Tucker Act; breach of contract.
	Herseh Bayes; Roselind Bayes, a minor, by Herseh Bayes, her guardian * * *; Michelle Bayes, a minor, by * * *; and Franelne Bayes.	17,450.59	63.80	Jan. 11, 1956	Feb. 20, 1956	Federal Tort Claims Act; personal injuries (motor vehicle).



Civil 3859, western district of Washington.	Alfred J. Parsons.....	16,500.00	57.30	Dec. 30, 1955	Feb. 23, 1956	Federal Tort Claims Act; personal injuries, expenses and loss of wages (motor vehicle).
Civil 3808, middle district of Pennsylvania.	John S. Bologach and Helen Bologach.....	4,310.65 23,535.00	212.36	July 27, 1954	Feb. 24, 1956	Federal Tort Claims Act; personal injuries and damages (motor vehicle).
Civil 70-802, southern district of New York.	42d Street Fotoshop, Inc.....	2,315.00		Dec. 23, 1955	Feb. 27, 1956	Tucker Act; breach of contract.
Civil 1219, district of New Hampshire.....	Myrtie Neal.....	9,872.00	172.88	Mar. 7, 1955	Feb. 29, 1956	Federal Tort Claims Act; personal injuries (motor vehicle).
Civil 1220, District of New Hampshire..	Barbara Wanzer.....	4,492.00	158.08	do	do	Do.
Admiralty 7694, western district of Washington.	Fred Devine, doing business as Fred Devine Diving Co.	20,154.40		July 25, 1955	do	Suits in Admiralty Act; and Public Vessels Act; high order salvage award and loss of equipment in salvage operations.
Total.....		107,441.43				
DEPARTMENT OF THE NAVY						
Civil 5399-M, southern district of Florida.	David A. Cooper.....	6,500.00	58.80	Nov. 23, 1955	Feb. 1, 1956	Federal Tort Claims Act; personal injuries (motor vehicle).
Civil 12769, eastern district of New York	Standard Waterproofing Corp.....	3,125.00	15.00	Dec. 8, 1955	Feb. 4, 1956	Federal Tort Claims Act; property damage.
Civil 4625-M, southern district of Florida.	Gladys de Miranda Vda de Salas.....	25,000.00	43.47	Sept. 14, 1955	Feb. 9, 1956	Federal Tort Claims Act; wrongful death.
Civil 4624-M, southern district of Florida.	Mercedes Gutierrez Vda de Fernandez Pacheco.	30,000.00	34.47	do	do	Do.
Total.....		64,781.74				
DEPARTMENT OF THE AIR FORCE						
Civil 1640, southern district of Texas..	Panhandle and Santa Fe Ry. Co.....	45.17		Nov. 16, 1955	Feb. 8, 1956	Tucker Act; freight charges.
Civil 8244, southern district of Ohio.....	Florence A. Murray.....	2,500.00	5.30	Jan. 23, 1956	Feb. 15, 1956	Federal Tort Claims Act; personal injuries (motor vehicle).
Civil 1271-D, eastern district of Illinois.	Faye E. Borkowski.....	900.00	15.00	Oct. 31, 1955	Feb. 17, 1956	Federal Tort Claims Act; personal injuries.
Civil 6245, western district of Oklahoma.	Inland Industries, Inc.....	2,500.00	28.50	Feb. 10, 1956	Feb. 21, 1956	Tucker Act; breach of contract.
Total.....		5,993.97				
TREASURY DEPARTMENT						
Admiralty 174, western district of Pennsylvania.	Paul J. Geertson.....	8,373.65	38.60	Dec. 14, 1955	Feb. 29, 1956	Public Vessels Act; by reason of negligence in Coast Guard rescue.
	Paul Hogan.....	228.35				
	Donald Hogan, a minor.....	500.00				
Total.....		9,140.60				
Grand total.....		224,801.59				

## SCHEDULE C-1

*Judgments rendered by the United States district courts against the United States—Treasury Department, Fiscal Service, Bureau of Accounts, Budget and Administrative Accounts Branch—payable out of postal revenues*

Docket No. and court	Claimant	Amounts awarded in decree (interest as authorized)		Date of judgment	Received from Justice	Act and nature of claim
		Principal	Cost			
	POST OFFICE DEPARTMENT					
Civil 17351-BH, southern district of California.	Elizabeth A. Thorne and Carl Thorne	\$1,946.56	\$98.03	Dec. 23, 1955	Feb. 3, 1956	Federal Tort Claims Act; personal injuries and property damage (motor vehicle).
Civil 54 C-1361, northern district of Illinois.	Robert Miller, a minor, by Richard W. Miller, his father	3,250.00	17.00	Dec. 1, 1955	Feb. 6, 1956	Federal Tort Claims Act; personal injuries.
Civil 3497, southern district of Ohio.	Harry Russell Deavers, by his father * * *, Leslie Deavers.	5,000.00	19.60	Jan. 27, 1956	Feb. 15, 1956	Federal Tort Claims Act; personal injuries and medical expenses (motor vehicle).
Civil 3736, western district of Washington.	James Harley Sprague, Jr., and Allela Rea Sprague, his wife.	1,213.00	55.20	Dec. 20, 1955	Feb. 24, 1956	Federal Tort Claims Act; property damage and personal injuries (motor vehicle).
Civil 4922, district of Connecticut.	Raymond LaPointe	2,060.10	-----	Jan. 20, 1956	Feb. 29, 1956	Federal Tort Claims Act; personal injuries and property damage (motor vehicle).
	Total		13,659.49			

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84TH CONGRESS } HOUSE OF REPRESENTATIVES } DOCUMENT  
2d Session } No. 341

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE LEGIS-  
LATIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT AND  
VARIOUS DEPARTMENTS AND AGENCIES OF THE EXECUTIVE  
BRANCH

## COMMUNICATION

FROM

# THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE FISCAL  
YEAR 1956, IN THE AMOUNT OF \$278,678,596, FOR THE LEGISLA-  
TIVE AND JUDICIAL BRANCHES OF THE GOVERNMENT AND FOR  
VARIOUS DEPARTMENTS AND AGENCIES OF THE EXECUTIVE  
BRANCH

FEBRUARY 20, 1956.—Referred to the Committee on Appropriations and ordered  
to be printed

THE WHITE HOUSE,  
*Washington, February 20, 1956.*

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of  
the Congress proposed supplemental appropriations for the fiscal year  
1956, in the amount of \$278,678,596, for the legislative and judicial  
branches of the Government and for various departments and agencies  
of the executive branch.

The details of these proposed appropriations, the necessity therefor,  
and the reasons for their submission at this time are set forth in the  
attached letter from the Director of the Bureau of the Budget, with  
whose comments and observations thereon I concur.

Respectfully yours,

DWIGHT D. EISENHOWER.

EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
*Washington 25, D. C., February 16, 1956.*

The PRESIDENT,  
*The White House.*

SIR: I have the honor to submit herewith for your consideration proposed supplemental appropriations for the fiscal year 1956, in the amount of \$278,678,596, for the legislative and judicial branches of the Government and for various departments and agencies of the executive branch.

The proposed appropriations are needed to meet the cost of civilian pay increases under the following statutes:

The act of March 2, 1955 (Public Law 9), adjusted the salaries of judges of United States courts, United States attorneys, and Members of Congress.

The act of June 10, 1955 (Public Law 68), granted increases in the rates of basic compensation of officers and employees in the field service of the Post Office Department.

The act of June 28, 1955 (Public Law 94), adjusted the rates of basic compensation of most other officers and salaried employees of the Federal Government.

The act of July 11, 1955 (Public Law 139), adjusted the salaries of judges of the municipal courts of the District of Columbia.

The act of August 5, 1955 (Public Law 243), adjusted the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia.

The act of August 5, 1955 (Public Law 244), granted increases in the salaries of officers and members of the Metropolitan Police force, Fire Department, United States Park Police, and White House Police.

The estimated total cost of all these pay increases is \$521,075,848, of which \$220,424,052, or 42 percent, can be met by savings through administrative action, increases in limitations on administrative expenses and trust and revolving funds, and transfers of funds from one account to another within the same agency. The remaining \$300,651,796, or 58 percent of the total cost, will require supplemental appropriations. Of this latter amount, \$278,678,596 is included in this consolidated document and \$21,973,200 has already been transmitted with proposed supplemental appropriations involving other requirements as well as pay-increase costs.

Where it appeared that supplemental appropriations would be required to meet pay-increase costs, the appropriations of the agencies in the executive branch were apportioned indicating the necessity for a deficiency estimate pursuant to section 3679 of the Revised Statutes, as amended. These actions were reported to the Congress by the Director of the Bureau of the Budget on September 26, 1955.

This submission provides only for the increased pay costs for employment financed by appropriations already enacted for the fiscal year 1956. Proposed supplemental appropriations for additional personal services for the fiscal year 1956 which have been submitted during the present session of Congress have been based on the new pay rates. Any future proposed supplementals for 1956 will be on the same basis.

The submission also contains proposed language to waive certain limitations to the extent necessary to cover the pay-increase costs for which the 1956 appropriation acts made no provision.

The proposed supplemental appropriations recommended herein, listed by departments and agencies and appropriations involved, are set forth in the attachment to this letter.

The tabular statement following the list of items shows by departments and agencies (1) the total cost of the pay increases; (2) the net amount for payment to other appropriations; (3) the total amount to be absorbed, showing separately (a) the portion which can be met by administrative action, including payments received from other appropriations, and (b) the portion which can be met by proposed transfers between appropriations, by increases in limitations on administrative expenses, and by increases in the limitations on the amount of trust funds which can be used in 1956; and (4) the additional appropriations required, showing separately (a) the portion which is included in this submission and (b) the portion which has been included in other submissions.

The need for these additional appropriations was anticipated at the time the 1957 budget was prepared, and the summaries of new obligational authority and expenditures for 1956 as shown in that document made provision for them; thus they will not serve to increase fiscal year 1956 totals above those shown in the latest budget.

These proposed appropriations are required in connection with legislation enacted since transmission to the Congress of the budget for the fiscal year 1956. The estimates submitted by the legislative branch, the judiciary, and the District of Columbia have been included without change, and I make no observations regarding their necessity. The estimates for the executive branch have been carefully reviewed and I recommend the transmission thereof to the Congress in the amounts specified.

Respectfully yours,

ROWLAND HUGHES,  
*Director of the Bureau of the Budget.*



## TITLE II—INCREASED PAY COSTS

For additional amounts for appropriations for the fiscal year 1956, for increased pay costs authorized by the Act of March 2, 1955 (Public Law 9), the Act of June 10, 1955 (Public Law 68), the Act of June 28, 1955 (Public Law 94), the Act of July 11, 1955 (Public Law 139), the Act of August 5, 1955 (Public Law 243), and the Act of August 5, 1955 (Public Law 244), as follows:

### LEGISLATIVE BRANCH

#### Senate:

“Salaries, officers and employees”, \$3,763,750;

#### Contingent expenses of the Senate:

“Joint Committee on the Economic Report”, \$10,985;

“Joint Committee on Atomic Energy”, \$14,715;

“Joint Committee on Printing”, for compiling, preparing, and indexing material for the biographical directory, \$140;

“Vice President’s automobile”, \$325;

“Automobile for the President pro tempore”, \$325;

“Automobile for Majority and Minority Leaders”, \$650;

“Reporting Senate proceedings”, \$10,925;

“Folding documents”, \$2,000;

“Inquiries and investigations”, including \$7,500 authorized by Public Law 295, Eighty-fourth Congress, approved August 9, 1955, \$67,880;

“Miscellaneous items”, \$15,130;

#### House of Representatives:

“Salaries, officers and employees”, \$681,345;

“Members’ clerk hire”, \$3,100,000;

#### Contingent expenses of the House:

“Furniture”, \$9,300;

“Special and select committees”, \$150,000;

“Joint Committee on Internal Revenue Taxation”, \$20,000;

“Office of the Coordinator of Information”, \$4,160;

“Attending physician’s office”, \$2,160;

“Folding documents”, \$40,000;

“Revision of laws”, \$2,800;

“Speaker’s automobile”, \$700;

“Automobile for the Majority Leader”, \$665;

“Automobile for the Minority Leader”, \$665;

Capitol police: “Capitol Police Board”, \$6,810;

“Office of the Legislative Counsel”, \$38,000 of which \$12,000 shall be disbursed by the Secretary of the Senate and \$26,000 shall be disbursed by the Clerk of the House of Representatives;

“Education of Senate and House pages”, \$1,450;

Architect of the Capitol: Office of the Architect of the Capitol: “Salaries”, \$6,000;

Botanic Garden: “Salaries and expenses”, \$2,000;



## Library of Congress:

"Salaries and expenses", \$283,064;

Copyright Office: "Salaries and expenses", \$80,415;

Legislative reference service: "Salaries and expenses", \$70,055;

Distribution of catalog cards: "Salaries and expenses", \$52,359;

"Books for the blind", \$6,678;

Government Printing Office: Office of Superintendent of Documents: "Salaries and expenses", \$87,270;

## THE JUDICIARY

Supreme Court of the United States: "Salaries", \$9,000;

Customs Court: "Salaries and expenses", \$12,500;

Courts of appeals, district courts, and other judicial services:

"Salaries of supporting personnel", \$825,000;

"Administrative Office of the United States Courts", \$36,500;

## EXECUTIVE OFFICE OF THE PRESIDENT

"Executive Mansion and grounds", \$17,575;

Bureau of the Budget: "Salaries and expenses", \$210,000;

Council of Economic Advisers: "Salaries and expenses", \$4,000;

National Security Council: "Salaries and expenses", \$4,000;

Office of Defense Mobilization: "Salaries and expenses", \$100,000;

President's Commission on Veterans' Pensions: "Salaries and expenses", \$12,000;

## FUNDS APPROPRIATED TO THE PRESIDENT

"Refugee relief" (decrease the amount of the limitation under this head in the Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Act, 1956, on capital for making loans from "\$2,000,000" to "\$1,685,655");

## INDEPENDENT OFFICES

American Battle Monuments Commission: "Salaries and expenses", \$9,000;

Civil Service Commission: "Salaries and expenses", \$1,065,000;

Federal Civil Defense Administration:

"Operations", \$362,000, to be derived by transfer from the appropriation "Emergency supplies and equipment";

"Salaries and expenses, civil defense functions of Federal agencies", \$40,000, to be derived by transfer from the appropriation "Emergency supplies and equipment";

Federal Communications Commission: "Salaries and expenses", \$453,000;

Federal Mediation and Conciliation Service: "Salaries and expenses", \$171,000;

Federal Power Commission: "Salaries and expenses", \$250,000;

Federal Trade Commission: "Salaries and expenses", \$286,000;  
 General Accounting Office: "Salaries and expenses", \$1,500,000;  
 Indian Claims Commission: "Salaries and expenses", \$1,700;

Interstate Commerce Commission:

"General expenses", \$670,000;

"Railroad safety", \$60,500;

"Locomotive inspection", \$44,500;

National Capital Housing Authority: "Maintenance and operation of properties", \$1,400;

National Capital Planning Commission: "Salaries and expenses", \$6,700;

National Mediation Board: National Railroad Adjustment Board: "Salaries and expenses" (decrease the amount of the limitation under this head in the Departments of Labor, and Health, Education, and Welfare, and Related Agencies Appropriation Act, 1956, on the amount available for compensation and expenses of referees from "\$175,000" to "\$157,000");

Securities and Exchange Commission: "Salaries and expenses", \$323,000;

Selective Service System: "Salaries and expenses" (decrease the amount of the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for registration, classification, and induction activities of local boards from "\$20,963,700" to "\$20,636,300");

Small Business Administration: "Salaries and expenses", \$128,000;

Smithsonian Institution:

"Salaries and expenses", \$166,000;

"Salaries and expenses, National Gallery of Art", \$81,000;

Tariff Commission: "Salaries and expenses", \$83,000;

United States Information Agency: "Salaries and expenses", \$2,000,000;

Veterans Administration:

"General operating expenses", \$9,500,000;

"Medical administration and miscellaneous operating expenses", \$755,600;

"Inpatient care", \$30,790,600;

"Maintenance and operation of supply depots", \$50,000;

#### GENERAL SERVICES ADMINISTRATION

"Emergency operating expenses", \$265,000;

"Operating expenses, Federal Supply Service", \$190,000;

"Expenses, general supply fund", \$625,000;

"Operating expenses, National Archives and Records Service", \$325,000;

"Administrative operations", \$285,000;

"Abaca fiber program" (increase of \$2,000 in the limitation upon the amount which may be used for administrative expenses);

## DEPARTMENT OF AGRICULTURE

## Agricultural Research Service:

"Research on strategic and critical agricultural materials", \$14,000;

"Foot-and-mouth and other contagious diseases of animals and poultry", \$45,000;

Extension Service: Federal Extension Service: "Administration and coordination", \$60,000, to be derived by transfer from the appropriation "Payments to States, Hawaii, Alaska, and Puerto Rico";

"Farmer Cooperative Service", \$19,000;

Forest Service: "State and private forestry cooperation", \$45,000;

Soil Conservation Service: "Conservation operations", \$3,650,000;

Agricultural Marketing Service: "Marketing research and service", \$1,300,000, of which \$925,000 shall be derived by transfer from the appropriation "Payments to States, Hawaii, Alaska, and Puerto Rico", Extension Service;

"Foreign Agricultural Service", \$80,000;

"Commodity Exchange Authority", \$44,000;

Commodity Stabilization Service: "Agricultural adjustment programs", \$150,000;

"Federal Crop Insurance Corporation", \$214,200;

Rural Electrification Administration: "Salaries and expenses", \$460,000;

"Office of the General Counsel", \$116,000;

"Office of the Secretary", \$138,000;

"Office of Information", \$43,500;

"Library", \$40,000;

## DEPARTMENT OF COMMERCE

Office of the Secretary: "Salaries and expenses", \$140,500;

Bureau of the Census: "Censuses of business, manufactures, and mineral industries", \$304,000;

Civil Aeronautics Administration:

"Operation and regulation", \$5,890,000;

"Maintenance and operation, Washington National Airport", \$38,000;

"Maintenance and operation of public airports, Territory of Alaska", \$17,500;

Civil Aeronautics Board: "Salaries and expenses", \$265,000;

Coast and Geodetic Survey: "Salaries and expenses", \$340,000;

Business and Defense Services Administration: "Salaries and expenses", \$402,000;

Bureau of Foreign Commerce:

"Salaries and expenses", \$130,500;

"Export control", \$186,000;

Office of Business Economics: "Salaries and expenses", \$60,000;

Maritime activities: "Salaries and expenses", \$525,500; and increase the limitations thereunder as follows:

Administrative expenses, \$410,000;

Maintenance of shipyard facilities and operation of warehouses, \$37,200;

Reserve fleet expenses, \$78,300;

Patent Office: "Salaries and expenses", \$500,000;

National Bureau of Standards: "Expenses", \$413,500;

Weather Bureau: "Salaries and expenses", \$1,650,000;



## DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

Office of the Secretary of Defense: "Salaries and expenses", \$769,000, to be derived by transfer from the appropriation "Military personnel, Marine Corps";

"Office of Public Affairs", \$27,500, to be derived by transfer from the appropriation "Military personnel, Marine Corps";

Interservice activities: "Court of Military Appeals", \$41,400, to be derived by transfer from the appropriation "Military personnel, Marine Corps";

Department of the Navy:

"Service-wide supply and finance", \$7,400,000, to be derived by transfer from the appropriation "Military personnel, Marine Corps";

"Service-wide operations", \$2,180,000, to be derived by transfer from the appropriation "Military personnel, Marine Corps";

## DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

Department of the Army:

Rivers and harbors and flood control:

"General investigations", \$115,000;

"General expenses", \$585,000;

"United States Soldiers' Home", \$137,000, to be paid from the Soldiers' Home permanent fund;

Canal Zone Government: "Operating expenses", \$448,000;

"Panama Canal Company" (increase of \$49,000 in the limitation upon the amount which may be used for administrative expenses);

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration: "Salaries and expenses", \$360,000;

Freedmen's Hospital: "Salaries and expenses", \$100,000;

Gallaudet College: "Salaries and expenses", \$9,000;

Howard University: "Salaries and expenses", \$215,000;

Office of Education:

"Salaries and expenses", \$190,000, to be derived by transfer from the appropriation "Promotion and further development of vocational education";

"Salaries and expenses, White House Conference on Education", \$8,000;

Office of Vocational Rehabilitation: "Salaries and expenses", \$58,000;

Public Health Service:

"Assistance to States, general", \$161,000;

"Venereal diseases", \$116,000;

"Tuberculosis", \$62,000;

"Communicable diseases", \$146,000;

"Sanitary engineering activities", \$120,000;

"Disease and sanitary investigations and control, Territory of Alaska", \$14,000;

"Salaries and expenses, hospital construction services", \$40,000;

"Hospitals and medical care", \$1,070,000;



"Foreign quarantine service", \$150,000;

"Indian health activities", \$1,150,000;

"National Institutes of Health, operating expenses", \$30,000;

"National Cancer Institute", \$150,000;

"National Heart Institute", \$120,000, of which \$90,000 shall be derived by transfer from the appropriation "Construction of housing facilities for animals";

"Dental health activities", \$40,000;

"Arthritis and metabolic disease activities", \$100,000;

"Microbiology activities", \$195,000;

"Salaries and expenses", \$154,000;

Saint Elizabeths Hospital: "Salaries and expenses", \$117,000;

Social Security Administration:

"Salaries and expenses, Bureau of Old-Age and Survivors Insurance", \$5,229,000, to be derived from the Federal old-age and survivors insurance trust fund;

"Salaries and expenses, Bureau of Public Assistance", \$95,000;

"Salaries and expenses, Childrens' Bureau", \$100,000, to be derived by transfer from the appropriation "Promotion and further development of vocational education";

"Salaries and expenses, Office of the Commissioner", \$11,400, together with not to exceed \$8,600 to be transferred from the Federal old-age and survivors insurance trust fund;

Office of the Secretary:

"Salaries and expenses", \$83,500, together with not to exceed \$11,500 to be transferred from the Federal old-age and survivors insurance trust fund;

"Salaries and expenses, Office of Field Administration", \$108,400, together with not to exceed \$27,000 to be transferred from Federal old-age and survivors insurance trust fund;

"Salaries and expenses, Office of the General Counsel", \$26,400, together with not to exceed \$1,500 to be transferred from the appropriation "Salaries and expenses, certification, inspection, and other services", and not to exceed \$25,900, to be derived from the Federal old-age and survivors insurance trust fund;

"Surplus property utilization", \$25,000;

#### DEPARTMENT OF THE INTERIOR

Office of the Secretary:

"Oil and Gas Division", \$15,600;

"Office of the Solicitor", \$165,000;

Commission of Fine Arts: "Salaries and expenses", \$1,000;

Bonneville Power Administration: "Operation and maintenance", \$187,500;

Bureau of Indian Affairs:

"Resources management", \$450,000;

"General administrative expenses", \$150,000;

Bureau of Reclamation:

"Operation and maintenance" (decrease the amount under this head in the Public Works Appropriation Act, 1956, which is to be derived from the reclamation fund from "\$20,223,638" to "\$20,171,138", and increase the amount under said head which is

to be derived from the Colorado River dam fund from "\$1,697,000" to "\$1,749,500");

"General administrative expenses", \$170,000;

Bureau of Mines:

"Conservation and development of mineral resources", \$650,000;

"Health and safety", \$305,000;

"General administrative expenses", \$60,000;

National Park Service:

"Management and protection", \$618,000;

"Maintenance and rehabilitation of physical facilities", \$144,000;

"General administrative expenses", \$75,000;

Fish and Wildlife Service:

"Management of resources", \$280,000;

"Investigations of resources", \$185,000;

"General administrative expenses", \$50,000;

Administration, Department of the Interior: "Salaries and expenses", \$100,000;

### DEPARTMENT OF JUSTICE

Legal activities and general administration:

"Salaries and expenses, general administration", \$173,000;

"Salaries and expenses, United States attorneys and marshals", \$559,000;

Federal Bureau of Investigation: "Salaries and expenses", \$5,826,000;

Immigration and Naturalization Service: "Salaries and expenses", \$1,995,000;

Federal Prison System:

"Salaries and expenses, Bureau of Prisons", \$1,335,000, of which \$275,000 shall be derived by transfer from the appropriation "Support of United States prisoners";

"Federal Prison Industries, Inc." (increase of \$15,000 in the limitation upon the amount which may be used for expenses of vocational training of prisoners);

### DEPARTMENT OF LABOR

Office of the Secretary: "Salaries and expenses", \$90,850, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Office of the Solicitor: "Salaries and expenses", \$79,500, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Bureau of Labor Standards: "Salaries and expenses", \$49,000, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Bureau of Veterans' Reemployment Rights: "Salaries and expenses", \$22,500, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Bureau of Apprenticeship: "Salaries and expenses", \$200,800, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

## Bureau of Employment Security:

"Salaries and expenses", \$329,100, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

"Salaries and expenses, Mexican farm labor program", \$107,000, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Bureau of Employees' Compensation: "Salaries and expenses", \$143,000, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Bureau of Labor Statistics: "Salaries and expenses", \$342,000, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Women's Bureau: "Salaries and expenses", \$23,000, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Wage and Hour Division: "Salaries and expenses", \$481,000, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

## POST OFFICE DEPARTMENT

(Out of postal fund)

"Administration", \$486,600;

"Operations", \$135,363,000;

"Transportation", \$11,100,000;

"Finance", \$335,400;

"Facilities", \$2,715,000;

## DEPARTMENT OF STATE

"Salaries and expenses", \$3,080,000, of which \$263,000 shall be derived by transfer from the appropriation "Educational aid for China and Korea, State";

"Missions to international organizations", \$43,000, to be derived by transfer from the appropriation "Educational aid for China and Korea, State";

International Boundary and Water Commission, United States and Mexico:

"Salaries and expenses", \$22,000, to be derived by transfer from the appropriation "Educational aid for China and Korea, State";

"Operation and maintenance", \$39,000, to be derived by transfer from the appropriation "Educational aid for China and Korea, State";

"American sections, international commissions", \$13,000, to be derived by transfer from the appropriation "Educational aid for China and Korea, State";

"International educational exchange activities", \$170,000, to be derived by transfer from the appropriation "Educational aid for China and Korea, State";



## TREASURY DEPARTMENT

## Office of the Secretary:

"Salaries and expenses", \$170,000;

"Liquidation of Reconstruction Finance Corporation" (increase of \$85,000 in the amount which may be used for administrative expenses);

Bureau of Accounts: "Salaries and expenses, Division of Disbursement", \$280,000;

Bureau of the Public Debt: "Administering the public debt", \$752,000;

Office of the Treasurer: "Salaries and expenses", \$175,000;

Bureau of Customs: "Salaries and expenses", \$2,855,000;

Internal Revenue Service: "Salaries and expenses", \$17,900,000;

Bureau of Narcotics: "Salaries and expenses", \$155,000;

## United States Secret Service:

"Salaries and expenses", \$179,000;

"Salaries and expenses, White House Police", \$57,000;

"Salaries and expenses, guard force", \$17,000;

Coast Guard: "Operating expenses", \$389,000, to be derived by transfer from the appropriation "Retired pay";

## DISTRICT OF COLUMBIA

(Out of District of Columbia funds)

## Operating expenses:

"Executive Office", \$17,500;

"Department of General Administration", \$88,400;

"Office of Corporation Counsel", \$24,400;

"Compensation and retirement fund expenses", \$440,000;

"Regulatory agencies", \$55,700;

"Department of Occupations and Professions", \$13,600;

"Public schools", \$3,172,000;

"Public Library", \$98,500;

"Recreation Department", \$79,000;

"Metropolitan Police", \$840,300, of which amount \$118,100 shall be payable from the highway fund;

"Fire Department", \$330,000;

"Office of Civil Defense", \$3,400;

"Courts", \$445,000;

"Department of Public Health", \$1,263,800;

"Department of Corrections", \$145,000;

"Department of Public Welfare", \$297,800;

"Department of Buildings and Grounds", \$77,300;

"Office of the Surveyor", \$4,400;

"Department of Licenses and Inspections", \$54,000;

"Department of Highways", \$70,300, of which amount \$50,522 shall be payable from the highway fund;

"Department of Vehicles and Traffic", \$53,500 (payable from the highway fund);

"Department of Sanitary Engineering", \$124,500, of which amount \$36,941 shall be payable from the water fund and \$37,487 shall be payable from the sanitary sewage works fund;



"Washington Aqueduct", \$43,500 (payable from the water fund);

"National Guard", \$5,800;

"National Capital Parks", \$95,000;

"National Zoological Park", \$21,600.

#### DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Act, 1956.

#### GENERAL PROVISIONS

SEC. 202. Except where specifically increased or decreased elsewhere in this Act, the restrictions contained within appropriations, or provisions affecting appropriations or other funds, available during the fiscal year 1956, limiting the amounts which may be expended for personal services, or for purposes involving personal services, or amounts which may be transferred between appropriations or authorizations available for or involving such services, are hereby increased to the extent necessary to meet increased pay costs authorized by the Act of June 10, 1955 (Public Law 68), the Act of June 28, 1955 (Public Law 94), the Act of August 5, 1955 (Public Law 243), and the Act of August 5, 1955 (Public Law 244).

## ANALYSIS OF PAY INCREASE COSTS FOR THE FISCAL YEAR 1956

(Public Law 94 unless otherwise indicated)

Organization unit	Total of cost	Net amount for payment to other appropria- tions	Net absorption		Total	Additional funds required		
			Possible by administra- tive action	Requiring congressional action		Included in this submission	Submitted separately	Total
Legislative branch.								
The judiciary.	\$8,719,799		\$187,078		\$187,078	\$8,532,721		\$8,532,721
Executive Office of the President:	1,268,394		290,394		290,394	883,000	\$95,000	978,000
The White House.								
Bureau of the Budget.	157,761		140,186		140,186	17,575		17,575
Council of Economic Advisers.	214,325		4,325		4,325	210,000		210,000
National Security Council.	16,350		12,350		12,350	4,000		4,000
Office of Defense Mobilization.	12,000		8,000		8,000	4,000		4,000
President's Advisory Committee on Government Organi- zation.	120,000		20,000		20,000	100,000		100,000
President's Commission on Veterans' Pensions.	3,856		3,856		3,856			
Funds appropriated to the President:	15,375		3,375		3,375	12,000		12,000
Emergency fund for international affairs.	31,130		31,130		31,130			
Expenses of management improvement.	5,331		5,331		5,331			
Mutual security.	3,410,194		3,410,194		3,410,194			
Refugee relief.	373,684		59,339	\$314,345	373,684			
Expansion of defense production.	292,400		292,400		292,400			
Independent offices:								
Advisory Committee on Weather Control.	6,010		6,010		6,010			
American Battle Monuments Commission.	20,350		11,350		11,350	9,000		9,000
Atomic Energy Commission.	2,959,510		94,510	2,865,000	2,959,510			
Civil Service Commission.	1,506,320	\$28,150	441,320	4,350	445,670	1,065,000	23,800	1,088,800
Export-Import Bank of Washington.	95,500		95,500		95,500			
Farm Credit Administration.	125,000		125,000		125,000			
Federal Civil Defense Administration.	504,531		102,531	402,000	504,531			
Federal Coal Mine Safety Board of Review.	2,740		2,740		2,740			
Federal Communications Commission.	453,000					453,000		453,000
Federal Home Loan Bank Board.	256,200		32,000	224,200	256,200			
Federal Mediation and Conciliation Service.	194,500		23,500		23,500	171,000		171,000
Federal Power Commission.	302,000		52,000		52,000	250,000		250,000
Federal Trade Commission.	286,000					286,000		286,000
Foreign Claims Settlement Commission.	59,664		59,664		59,664			
General Accounting Office.	2,160,000		660,000		660,000	1,500,000		1,500,000
Historical and memorial commissions.	5,967		5,967		5,967			
Indian Claims Commission.	4,965		3,265		3,265	1,700		1,700
Interstate Commerce Commission.	796,800		21,800		21,800	775,000		775,000
National Advisory Committee for Aeronautics.	1,840,000		1,840,000		1,840,000			
National Capital Housing Authority.	86,920		85,520		85,520	1,400		1,400
National Capital Planning Commission.	9,585		2,885		2,885	6,700		6,700

National Labor Relations Board.....	526,500				39,000			526,500
National Mediation Board.....	39,000				90,900			
National Science Foundation.....	90,900				2,115			
National Security Training Commission.....	2,115				381,362			
Railroad Retirement Board.....	752,285	22,077			251,800			
Renegotiation Board.....	251,800				9,150			
Sault Lawrence Seaway Development Corporation.....	9,150							
Securities and Exchange Commission.....	323,000						323,000	323,000
Selective Service System.....	1,539,188				1,211,788			
Small Business Administration.....	374,000				32,000			
Smithsonian Institution.....	262,320				15,320			
Subversive Activities Control Board.....	12,605				12,605			
Tariff Commission.....	90,200				7,200			
The Tax Court of the United States.....	48,000							
United States Information Agency.....	1,867,620	132,380						
Veterans Administration.....	49,110,776				4,632,376			
General Services Administration.....	7,570,150	3,918,600			5,705,750			
Housing and Home Finance Agency.....	3,960,738				488,288			
Department of Agriculture.....	22,085,926	2,100			5,173,343			
Department of Commerce.....	14,636,697	477,687			3,253,483			
Department of Defense—Military Functions:					3,709,584			
Office of the Secretary of Defense:								
Public Law 9.....	24,000							
Public Law 94.....	923,700				109,800			
Department of the Army.....	61,132,163				132,163			
Department of the Navy.....	46,380,349				37,000,349			
Department of the Air Force.....	47,504,600				47,504,600			
Department of Defense—Civil Functions:								
Public Law 68.....	39,100				11,000			
Public Law 94.....	3,841,844				2,618,444			
Public Law 243.....	187,100				253,000			
Public Law 244.....	97,800							
Department of Health, Education, and Welfare.....	12,540,971	800			5,683,500			
Department of the Interior:								
Public Law 94.....	12,095,988				97,500			
Public Law 244.....	43,846							
Department of Justice:								
Public Law 9.....	43,500							
Public Law 94.....	12,068,859				290,000			
Department of Labor.....	1,977,061	11,550			1,869,350			
Post Office Department:								
Public Law 68.....	153,254,000							
Public Law 94.....	625,000							
Department of State.....	5,024,551	82,920			550,000			
Treasury Department:								
Public Law 94.....	25,728,772				474,000			
Public Law 244.....	59,000				2,000			

## ANALYSIS OF PAY INCREASE COSTS FOR THE FISCAL YEAR 1956—Continued

[Public Law 94 unless otherwise indicated]

Organization unit	Total of cost	Net amount for payment to other appropriations	Net absorption			Additional funds required		
			Possible by administrative action	Requiring congressional action	Total	Included in this submission	Submitted separately	Total
District of Columbia:								
Public Law 9.....	\$151,170	\$34,830				\$186,000		\$186,000
Public Law 94.....	2,697,829	753,318	\$276,693	\$14,400	\$291,093	3,100,054		3,160,054
Public Law 139.....	81,200					81,200		81,200
Public Law 243.....	3,015,768		157,218		157,218	2,858,550		2,858,550
Public Law 244.....	1,578,496					1,578,496		1,578,496
Grand total.....	521,075,848	5,464,412	195,335,736	30,552,728	225,888,464	278,678,596	\$21,973,200	300,651,796
Summary by public laws:								
Public Law 9.....	218,670	34,830						
Public Law 68.....	153,293,100		35,000	24,000	59,000	189,500	5,000	194,500
Public Law 94.....	362,500,868	5,429,582	3,890,000		3,890,000	149,403,100		149,403,100
Public Law 139.....	81,200		191,213,118	30,528,728	221,741,846	124,220,404	21,968,200	146,188,604
Public Law 243.....	3,202,868		157,218		157,218	81,200		81,200
Public Law 244.....	1,779,142		40,400		40,400	3,045,650		3,045,650
Grand total.....	521,075,848	5,464,412	195,335,736	30,552,728	225,888,464	278,678,596	21,973,200	300,651,796
Deduct payments between accounts.....		5,464,412	5,464,412		5,464,412			
Net total.....	521,075,848		189,871,324	30,552,728	220,424,052	278,678,596	21,973,200	300,651,796







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 16, 1956  
For actions of March 15, 1956  
84th-2nd, No. 46

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HIGHLIGHTS: Senate continued debate on farm bill. Senate agreed to conference report to extend school milk and brucellosis programs to end of this fiscal year. House committee reported second supplemental appropriation bill for 1956, including items for this Department. House conferees were appointed on sugar act extension measure. Conferees, in executive session, agreed to file report on Colorado River storage project. House committee reported bill authorizing military construction utilizing agricultural funds, acquired through P.L. 480 operations. Sen. Johnston and Rep. Moss introduced and discussed bills to establish merit system of promotion for Federal employees.

## SENATE

1. FARM PROGRAM. Continued debate on S. 3183, the farm bill. pp. 4290, 4312, 4324

Agreed to the following amendments:

- By Sen. Curtis, as modified, to provide for a Presidential Commission to prepare legislation to promote the industrial uses of agricultural products not needed for human or animal consumption. pp. 4324-36
- By Sen. Smith (N. J.), as modified, exempting wheat grown and consumed on the farm from certain penalties. pp. 4336-37
- By Sen. Mansfield, as modified, to permit farmers to pool their rights to participate jointly in the conservation reserve program on property other than their home farms. pp. 4337-39
- By Sen. Langer, to donate commodities acquired through price-support operations to Federal penal and correctional institutions, other than food products provided for inmates on a fee, contract, or concession basis. pp. 4340-41
- By Sen. Allott, to increase the authorization for the conservation acreage reserve program in the bill from \$350 million to \$450 million. pp. 4354-56



Rejected the following amendments:

By Sen. Aiken, to eliminate the provision in the bill for the use of the dual parity formula, by a vote of 44 to 45. Motion to reconsider was laid on the table by a vote of 49 to 42. pp. 4290-4301

By Sen. Welker, as modified, to provide that no agricultural commodity determined to be in surplus supply shall be produced on any land within any Federal irrigation project hereafter authorized, unless such land was used for the production of such commodity prior to the construction of the project. pp. 4301-19

By Sen. Mansfield, to require the Secretary to institute purchase programs when the price of a commodity falls below a fair level (in the case of hogs, cattle, sheep and lambs, and poultry, when they should fall below 85% of parity). pp. 4339-40

By Sen. Martin (Pa.), to strike out the section of the bill providing for price reporting and research on forest products. pp. 4341-46

By Sen. Kerr, to allow the cattle raisers to set aside as a part of the acreage reserve enough acreage to bring their livestock into line with what the national consumption and demand require, by a vote of 24 to 63. pp. 4346-52

By Sen. Morse, to strike out section 309 of the bill which requires a 15% State contribution to the cost of feed and seed furnished as disaster relief, by (vote of 42 to 43. pp. 4352-54

Sen. Capehart submitted and later withdrew an amendment to provide for an international food community board. pp. 4357-58

Sens. Welker and Anderson submitted amendments intended to be proposed to the bill. p. 4362

2. SCHOOL MILK; BRUCELLOSIS. Agreed to the conference report on H. R. 8320, to provide additional funds for the school milk and brucellosis eradication programs through June 30, 1956, after rejecting a Hickenlooper motion, 46 to 48, to recommit the bill to the conference committee with instructions to insist on the Senate amendment. pp. 4319-24
3. PERSONNEL. Sen. Johnston inserted a newspaper editorial critical of CSC Commissioner Young's statement requesting that the Federal career service not be an issue in the coming political campaign. p. 4278
4. NOMINATIONS. Confirmed the nominations of Laurence Walrath and Donald P. McPherson to be Interstate Commerce Commissioners. p. 4269
5. FOREIGN AID. Received from the Comptroller General an audit report on United States assistance program for Iran. p. 4269
6. FORESTRY. Sen. Morse inserted his statement before the Senate Subcommittee on Department of Interior and Related Agencies, including remarks relative to the Forest Service budget. p. 4283
7. ORGANIZATION, LEGISLATIVE. Swore in William R. Laird, to succeed the late Senator Kilgore, as the new Senator from West Virginia. p. 4292

#### HOUSE

3. APPROPRIATIONS. The Appropriations Committee reported without amendment H. R. 10004, the Second Supplemental Appropriation Bill, 1956 (H. Rept. 1897). p. 4265

Action on the items for this Department is indicated in the attached table. Following are excerpts from the committee report:



## "AGRICULTURAL RESEARCH SERVICE

"Salaries and expenses.---The bill carries \$3,294,000 to cover additional pay costs due to salary increases provided last year, together with an additional \$500,000 for emergency control of outbreaks of insects and plant diseases. The latter increase results from serious infestations of the khapra beetle, the Mexican fruit fly, the burrowing nematode, and anticipated grasshopper outbreaks in the spring of 1956.

## "AGRICULTURAL CONSERVATION PROGRAM

"Language is included in the bill for extending availability of previously authorized emergency funds through December 31, 1956. Severe damage to farm lands from recent hurricanes and floods in the East and on the west coast, and possible damage in the Great Plains area this spring and summer from wind erosion, make it necessary that these funds be continued available beyond the past calendar year.

"The Committee notes that additional funds were added recently by floor action of the House to the President's Disaster Relief Fund for repair of flood devastation, including damage to farm lands, in North Carolina. From the debate on the House floor, it might appear that there is some duplication in the use of those funds and the use of a portion of the funds included under this heading. However, the Committee has taken no action to withhold any portion of the funds involved herein, since the Department of Agriculture has the primary responsibility and necessary organization for assisting in the restoration of damaged agricultural lands.

## "FARMERS' HOME ADMINISTRATION

"Loan authorizations.---The Committee recommends the full budget estimate of \$5,000,000 for farm housing loans in 1956. The amount recommended will provide funds for about 830 loans at an average of around \$6,000 each.

"In recent years, the Department has attempted to meet farm housing needs through farm ownership loans authorized by Title I of the Bankhead-Jones Farm Tenant Act. However, there are many farm owners who cannot qualify for farm ownership loans, whose buildings are in need of repair and improvement and who are unable to secure credit from other sources.

"It should be noted that these funds will be available only for the balance of the present fiscal year.

"Salaries and expenses.---The sum of 1,350,000 is included to meet pay increases provided during the last session of Congress.

## "COMMODITY CREDIT CORPORATION

"Administrative expenses.---The bill includes language increasing the administrative expense limitation for this organization by \$4,500,000. This additional amount is provided to cover increased pay costs enacted last year, and to provide additional personnel to handle an increase in the volume of price support activities resulting from heavy production of certain crops in 1955. Since the regular 1956 budget was considered well in advance of the time 1955 crop year estimates were available, the workload of CCC could not be accurately predicted at the time the regular administrative funds for the fiscal year 1956 were authorized.

"The Committee is gratified to note the Department's actions in establishing a sales organization with funds earmarked for that purpose in the regular 1956 bill. It is also pleased to see that a more positive sales program, both domestically and abroad, has been undertaken in accordance with directives contained in last year's report. It is not satisfied, however, with restrictions which still exist on the sale of certain commodities in world trade for dollars, particularly with respect to cotton."

#### "FOREST SERVICE

"Salaries and expenses.—The budget estimate for the activities under this heading is \$8,213,500. An appropriation of \$7,913,500 is recommended, a reduction of \$300,000. Of the amount provided, \$2,463,500 is for increased costs due to the Pay Act of the first session of this Congress, and \$5,250,000 is to cover costs of fighting forest fires for the first six months of the current year and to provide funds for this purpose for the last half of the fiscal year. The balance of \$200,000 is for timber management and is to be used primarily for salvaging the large volumes of timber fire-killed last fall. A total of \$500,000 was requested for the timber management program in order to increase the timber cut. While the Committee recognizes the desirability of promptly harvesting fire-killed timber, the need for a two-month running start on the large increases provided for timber cutting purposes in the regular bill for 1957 does not appear to be of such urgency as to warrant treatment in a supplemental bill."

In addition, the bill includes \$100,000,000 additional for Federal-aid highways, \$3,000,000 (a reduction of \$1,000,000 in the budget estimate) for payment to contractors for forest highway construction work undertaken pursuant to previous contract authorizations, \$200,000 for the Commission on Government Security, \$50,000 for the Office of Defense Mobilization, \$200,000 for research on utilization of saline water, and various amounts for payment of claims and judgments against the Government. The bill also includes a provision authorizing transfer of \$75,000 from "Census of Agriculture" to salaries and expenses, Bureau of the Census. The bill also contains the general provision customarily included in pay act supplemental bills to waive, to the extent necessary on account of enactment of such pay acts, limitations and other provisions limiting or otherwise affecting or involving the payment of personal services.

~~Received from the President a proposed supplemental appropriation estimate for the Labor Department's Bureau of Employment Security (H. Doc. 357); to the Appropriations Committee (p. 4264). The Appropriations Committee reported without amendment, and passed as reported, H. J. Res. 582, to provide supplemental appropriations for the Labor Department to be used for unemployment compensation for certain Federal employees (H. Rept. 1880). pp. 4205, 4265~~

~~Conferees were appointed on H. R. 9064, the Treasury and Post Office Departments appropriations bill for 1957. p. 4206 Senate conferees were appointed on Mar. 7.~~

- ~~9. SUGAR. Disagreed with the Senate amendments to, and requested a conference on, H. R. 7030, to amend and extend the provisions of the Sugar Act. p. 4207 Conferees were appointed on the measure. p. 4207 Senate conferees were appointed on Feb. 8.~~

~~Reps. Thomson, Wyo., and Miller, Neb., urged expeditious action on H. R. 7030, and criticized the alleged delay in bringing this measure to conference. pp. 4216, A2386~~



## SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

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MARCH 15, 1956.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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Mr. CANNON, from the Committee on Appropriations, submitted the following

### R E P O R T

[To accompany H. R. 10004]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations to supply certain regular and supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

The estimates upon which the bill is based are contained in House Documents Nos. 326, 330, 338, 341, 352, and 355. The bill is divided into chapters corresponding to the subcommittees considering the estimates. The recommendations contained in the bill are a result of deliberations of the several subcommittees as approved by the full Committee.

#### SUMMARY OF BILL

Budget estimates considered by the Committee total \$835,902,923. Appropriations recommended total \$795,743,823, a reduction of \$40,159,100. These amounts are distributed by chapters of the bill as indicated in the following table.

Chapter	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
I	Agriculture.....	\$6, 414, 000	\$5, 144, 000	—\$1, 270, 000
II	Commerce.....	134, 428, 000	133, 428, 000	—1, 000, 000
III	Defense.....	( <sup>1</sup> )	( <sup>1</sup> )	-----
IV	General Government matters.....	401, 000	396, 000	—5, 000
V	Independent Offices.....	248, 284, 700	235, 579, 300	—12, 705, 400
VI	Interior.....	19, 226, 200	15, 494, 500	—3, 731, 700
VII	Labor and Health, Education, and Welfare.....	129, 041, 500	113, 690, 000	—15, 351, 500
VIII	Public Works.....	19, 085, 000	15, 585, 000	—3, 500, 000
IX	State, Justice, and the Judiciary.....	4, 312, 690	3, 950, 690	—362, 000
X	Treasury and Post Office.....	3, 750, 000	3, 750, 000	-----
XI	District of Columbia <sup>2</sup> .....	2, 000, 000	-----	—2, 000, 000
XII	Legislative.....	417, 800	340, 300	—77, 500
XIII	Claims and judgments.....	1, 614, 562	1, 614, 562	-----
XIV	Increased pay.....	<sup>3</sup> 266, 927, 471	266, 771, 471	—156, 000
	Total.....	835, 902, 923	795, 743, 823	—40, 159, 100

<sup>1</sup> Language only.<sup>2</sup> Federal funds only. Detail of District of Columbia funds at end of chapter XI.<sup>3</sup> Exclusive of Senate estimates totaling \$3,886,825 and District of Columbia estimates totaling \$7,864,300.



## CHAPTER I

### SUBCOMMITTEE

**JAMIE L. WHITTEN**, Mississippi, *Chairman*

**FRED MARSHALL**, Minnesota

**CHARLES B. DEANE**, North Carolina

**WILLIAM H. NATCHER**, Kentucky

**H. CARL ANDERSEN**, Minnesota

**WALTHORAN**, Washington

**CHARLES W. VURSELL**, Illinois

## DEPARTMENT OF AGRICULTURE

### AGRICULTURAL RESEARCH SERVICE

*Salaries and expenses.*—The bill carries \$3,294,000 to cover additional pay costs due to salary increases provided last year, together with an additional \$500,000 for emergency control of outbreaks of insects and plant diseases. The latter increase results from serious infestations of the khapra beetle, the Mexican fruit fly, the burrowing nematode, and anticipated grasshopper outbreaks in the spring of 1956.

### AGRICULTURAL CONSERVATION PROGRAM

Language is included in the bill for extending availability of previously authorized emergency funds through December 31, 1956. Severe damage to farm lands from recent hurricanes and floods in the East and on the west coast, and possible damage in the Great Plains area this spring and summer from wind erosion, make it necessary that these funds be continued available beyond the past calendar year.

The Committee notes that additional funds were added recently by floor action of the House to the President's Disaster Relief Fund for repair of flood devastation, including damage to farm lands, in North Carolina. From the debate on the House floor, it might appear that there is some duplication in the use of those funds and the use of a portion of the funds included under this heading. However, the Committee has taken no action to withhold any portion of the funds involved herein, since the Department of Agriculture has the primary responsibility and necessary organization for assisting in the restoration of damaged agricultural lands.

### FARMERS' HOME ADMINISTRATION

*Loan authorizations.*—The Committee recommends the full budget estimate of \$5,000,000 for farm housing loans in 1956. The amount recommended will provide funds for about 830 loans at an average of around \$6,000 each.

In recent years, the Department has attempted to meet farm housing needs through farm ownership loans authorized by Title I of the Bankhead-Jones Farm Tenant Act. However, there are many farm owners who cannot qualify for farm ownership loans, whose buildings are in need of repair and improvement and who are unable to secure credit from other sources.

It should be noted that these funds will be available only for the balance of the present fiscal year.

*Salaries and expenses.*—The sum of \$1,350,000 is included to meet pay increases provided during the last session of Congress.

#### COMMODITY CREDIT CORPORATION

*Administrative expenses.*—The bill includes language increasing the administrative expense limitation for this organization by \$4,500,000. This additional amount is provided to cover increased pay costs enacted last year, and to provide additional personnel to handle an increase in the volume of price support activities resulting from heavy production of certain crops in 1955. Since the regular 1956 budget was considered well in advance of the time 1955 crop year estimates were available, the workload of CCC could not be accurately predicted at the time the regular administrative funds for the fiscal year 1956 were authorized.

The Committee is gratified to note the Department's actions in establishing a sales organization with funds earmarked for that purpose in the regular 1956 bill. It is also pleased to see that a more positive sales program, both domestically and abroad, has been undertaken in accordance with directives contained in last year's report. It is not satisfied, however, with restrictions which still exist on the sale of certain commodities in world trade for dollars, particularly with respect to cotton.

*Comparative statement of budget estimates and amounts recommended in the bill*

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF AGRICULTURE			
330	Agricultural Research Service, salaries and expenses-----	\$4, 794, 000	\$3, 794, 000	—\$1, 000, 000
330	Agricultural Conservation Program Service-----	( <sup>1</sup> )	( <sup>1</sup> )	-----
330	Farmers Home Administration:			
	Loan authorizations-----	(5, 000, 000)	(5, 000, 000)	-----
	Salaries and expenses-----	1, 620, 000	1, 350, 000	—270, 000
330	Commodity Credit Corporation, Administrative expenses-----	(4, 964, 000)	(4, 500, 000)	(—464, 000)
	Total, Chapter I-----	6, 414, 000	5, 144, 000	—1, 270, 000

<sup>1</sup> Language to continue emergency funds available through December 31, 1956.



## CHAPTER II

### SUBCOMMITTEE

PRINCE H. PRESTON, Jr., Georgia, *Chairman*

ALBERT THOMAS, Texas

JOHN J. ROONEY, New York

SIDNEY R. YATES, Illinois

JOHN F. SHELLEY, California

DANIEL J. FLOOD, Pennsylvania

CLIFF CLEVINGER, Ohio

FRANK T. BOW, Ohio

WALT HORAN, Washington

EDWARD T. MILLER, Maryland

### DEPARTMENT OF COMMERCE

#### BUREAU OF THE CENSUS

*Salaries and expenses.*—There is included in the bill \$428,000 for payment of salary increases granted classified workers by Public Law 94, approved June 28, 1955. Authority is also granted to transfer \$75,000 already available in the appropriation "Census of Agriculture" to this appropriation to meet increased workload requirements and to maintain a reasonable publication schedule for statistics related to the foreign trade of the United States.

#### MARITIME ACTIVITIES

*Ship construction.*—The bill includes language raising from five to twenty the limitation in the number of replacement cargo ships on which the Government may pay construction subsidies and national defense allowances, as contained in the regular 1956 bill. The Committee was advised that a larger number of ships could be accommodated within the 1956 appropriations with a larger limitation, primarily because the Government's share of the construction cost may, in certain cases, be limited solely to national defense allowances.

*Operating-differential subsidies.*—The additional sum of \$30,000,000 the budget estimate, is included in the bill to pay operating-differential subsidy bills presented by ship operators in fiscal year 1956 under existing contracts. The sum of \$110,000,000 was appropriated in the regular 1956 bill for this purpose.

#### BUREAU OF PUBLIC ROADS

*Federal-aid highways.*—The Committee recommends an additional \$100,000,000 for reimbursement to the States for the Federal share of the cost of highway construction projects initiated under contract authorizations previously provided in Federal-Aid Highway Acts. This amount, together with the sum provided in the regular bill makes a total of \$740,000,000 available for this purpose during fiscal year 1956.

*Forest highways.*—The Committee recommends \$3,000,000, a reduction of \$1,000,000 in the budget estimate for payment to contractors for highway construction work undertaken pursuant to contract

authorizations included in Federal-Aid Highway Acts. It is believed that the amount recommended herein will be sufficient to cover payments coming due in the remaining portion of the current fiscal year.

#### NATIONAL BUREAU OF STANDARDS

*Plant and equipment.*—The bill includes language authorizing the use of not to exceed \$15,000 of the appropriation "Plant and Equipment" for the fiscal year 1956 for the acquisition of land on which certain radio propagation facilities are presently located near Maui, Territory of Hawaii.

*Comparative statement of budget estimates and amounts recommended in the bill*

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF COMMERCE			
330	Bureau of the Census, salaries and expenses-----	<sup>1</sup> \$428, 000	<sup>2</sup> \$428, 000	-----
330	Maritime activities:			
	Ship construction-----	( <sup>3</sup> )	( <sup>4</sup> )	-----
	Operating-differential subsidies-----	30, 000, 000	30, 000, 000	-----
330	Bureau of Public Roads:			
	Federal-aid highways-----	100, 000, 000	100, 000, 000	-----
	Forest highways-----	4, 000, 000	3, 000, 000	-\$1, 000, 000
330	National Bureau of Standards, plant and equipment-----	( <sup>5</sup> )	( <sup>5</sup> )	-----
	Total, Chapter II-----	134, 428, 000	133, 428, 000	--1, 000, 000

<sup>1</sup> Plus \$100,000 derived by transfer.

<sup>2</sup> Plus \$75,000 by transfer.

<sup>3</sup> Language repealing limitation on number of ships for which construction differential subsidies may be paid.

<sup>4</sup> Language increasing limitation from 5 to 20.

<sup>5</sup> Language authorizing use of \$15,000 of 1956 funds for land acquisition.



## CHAPTER III

### SUBCOMMITTEE

**GEORGE H. MAHON, Texas, *Chairman***

HARRY R. SHEPPARD, California

ROBERT L. F. SIKES, Florida

W. F. NORRELL, Arkansas

JAMIE L. WHITTEN, Mississippi

GEORGE W. ANDREWS, Alabama

JOHN J. RILEY, South Carolina

CHARLES B. DEANE, North Carolina

DANIEL J. FLOOD, Pennsylvania

RICHARD B. WIGGLESWORTH, Massachusetts

ERRETT P. SCRIVNER, Kansas

GERALD R. FORD, Jr., Michigan

EDWARD T. MILLER, Maryland

HAROLD C. OSTERTAG, New York

GLENN R. DAVIS, Wisconsin

### DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

The bill includes a provision necessary to authorize the payment from applicable current appropriations of claims certified by the Comptroller General to be due from lapsed appropriations of the Navy which are exhausted.

Included in chapter XIV of the bill is transfer authority necessary to cover increased pay costs, authorized during the first session of the present Congress. The total cost of pay increases in the Department of Defense is reported to be \$156,164,812. The entire amount is being absorbed, except that transfer authority in the amount of \$10,417,900 is required to supplement five appropriations, to be derived from the appropriation "Military Personnel, Marine Corps, 1956."

The budget for 1957 proposed a Marine Corps end strength of 205,735. In order to provide a stable personnel input and training load during the balance of fiscal year 1956 and fiscal year 1957, the planned end fiscal year 1956 strength was set at 201,000. The fiscal year 1956 appropriation of \$650,244,000 provided for an end fiscal year 1956 strength of 215,000. The result of this reduced strength is an estimated unobligated balance as of June 30, 1956 of \$36,244,000.

## CHAPTER IV

### SUBCOMMITTEE

#### GEORGE W. ANDREWS, Alabama, *Chairman*

GEORGE H. MAHON, Texas  
HARRY R. SHEPPARD, California  
J. VAUGHAN GARY, Virginia  
LOUIS C. RABAUT, Michigan  
JOHN F. SHELLEY, California

IVOR D. FENTON, Pennsylvania  
FREDERIC R. COUDERT, Jr., New York  
EARL WILSON, Indiana  
BENJAMIN F. JAMES, Pennsylvania

### GENERAL GOVERNMENT MATTERS

#### AMERICAN BATTLE MONUMENTS COMMISSION

*Dedication of World War II Memorials.*—The bill includes the budget amount of \$140,000 for this item. Six memorials in overseas cemeteries will be completed this year, and the amount recommended will provide for appropriate dedication ceremonies planned for early summer.

#### COMMISSION ON GOVERNMENT SECURITY

*Salaries and expenses.*—The Committee recommends appropriation of \$200,000, the budget request, for the continuation of this Commission. This amount supplements the amount of \$50,000 contained in the Legislative Appropriation Act, 1956, and is made available until March 31, 1957, the termination date for the Commission. The Act of August 9, 1955 (Public Law 304, 84th Congress) requires the Commission to render a final report by December 31, 1956 on all matters pertaining to legislative and executive actions in the field of Government employee and government-contractor employee security including law, order, regulation, operations thereunder, and recommendation for legislation designed to bring all such matter into agreement with the Congressional policy established by Section 1 of the said Act.

#### CORREGIDOR BATAAN MEMORIAL COMMISSION

*Salaries and expenses.*—The bill includes \$56,000 for the expenses of this Commission, a reduction of \$5,000 in the estimate. This amount provides an initial appropriation for the Commission for expenses in connection with a study relating to the erection of a memorial on Corregidor Island to Philippine and American servicemen who lost their lives while serving in the Philippines during World War II. The reduction represents the amounts requested for the establishment of separate office facilities in the District of Columbia. The Committee directs that the Commission obtain office space and equipment, on a loan basis within an existing Federally owned or rented office building.

## INCREASED PAY COSTS

The Committee considered estimates relating to the increased pay of Federal employees, for agencies and establishments under its jurisdiction, as presented in House Document 341. These items appear in detail in another Chapter of this report and bill. The amount of the estimates are recommended with the following notations and exception:

*Executive Office of the President.*—The estimate for the Office of Defense Mobilization was \$100,000. The Committee recommends \$50,000, on the basis of current operating rate and in the light of action already taken looking toward a reduction in staff in 1957.

In connection with the item for the President's Commission on Veterans Pensions, the Committee recommends the estimate of \$12,000, but is perturbed that the accounting and record keeping of the agency failed to indicate that such an amount is now necessary. The Budget document for 1957 indicated that this Commission would conclude its business on April 30 with an unobligated balance of \$10,000, yet the Committee is now informed that business cannot be terminated until May 15, that an additional \$12,000 is now needed, and further that obligations totalling \$60,550 entered into in the fall had not been posted as of the end of January.

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	AMERICAN BATTLE MONUMENTS COMMISSION			
330	Dedication of World War II Memorials-----	\$140, 000	\$140, 000	-----
	COMMISSION ON GOVERNMENT SECURITY			
330	Salaries and expenses-----	200, 000	200, 000	-----
	CORREGIDOR BATAAN MEMORIAL COMMISSION			
330	Salaries and expenses-----	61, 000	56, 000	--\$5, 000
	Total, Chapter IV-----	401, 000	396, 000	--5, 000



## CHAPTER V

### SUBCOMMITTEE

**ALBERT THOMAS, Texas, *Chairman***

SIDNEY R. YATES, Illinois

JOE L. EVINS, Tennessee

EDWARD P. BOLAND, Massachusetts

JOHN PHILLIPS, California

CHARLES W. VURSELL, Illinois

HAROLD C. OSTERTAG, New York

### INDEPENDENT OFFICES

#### CIVIL SERVICE COMMISSION

*Salaries and expenses.*—The Committee recommends that the limitation on expenses of travel be increased to \$488,000, which is an increase of \$45,000 over the amount of the current limitation and a reduction of \$5,000 in the budget estimate. The bill also increases by \$5,000 the limitation on the amount that may be used for performing duties imposed by the Act of July 19, 1940 (Hatch Act) to provide for pay increase costs.

*Investigations of United States citizens for employment by international organizations.*—The bill provides \$107,100 for this item for investigations conducted by the Civil Service Commission and the Federal Bureau of Investigation of American citizens employed by or being considered for employment by international organizations of which the United States is a member. The Commission has no control over the workload financed with this appropriation, but based on the current rate of requests for investigations the additional amount provided will be required during the remainder of this fiscal year.

*Annuities, Panama Canal construction employees and Lighthouse Service widows.*—The Committee recommends the budget estimate of \$70,000 for this item. Receipt of unexpected applications from former Panama Canal construction employees, who upon application for annuity are paid benefits retroactive to May 29, 1944, make this proposed supplemental appropriation necessary.

*Administrative expenses, Federal employee's life insurance fund.*—The bill contains a limitation of \$100,000 on funds for reimbursement to the Civil Service Commission for expenses incurred in the administration of the Federal Employees' Group Life Insurance Act, which is an increase of \$20,000 over the current limitation and \$92,350 less than the budget estimate. The Commission is planning to assume the life insurance agreements of members of employee beneficial associations. The workload under this program is just beginning, and pending the development of specific workload experience for the new program the work can be handled by the staff of the retirement division of the Commission with the limited increase in staff provided.

#### FEDERAL COMMUNICATIONS COMMISSION

*Salaries and expenses.*—The bill includes the budget language increasing the limitation on the amount available for expenses of travel from \$65,000 to \$94,000. The additional amount is for increased travel costs arising from the act of July 28, 1955 (Public Law 189).

## FEDERAL HOME LOAN BANK BOARD

The bill includes the language in the budget estimate increasing the amount for administrative expenses from \$920,000 to \$978,400, and the limitation for non-administrative expenses from \$2,995,000 to \$3,338,800. The additional amounts are necessary to finance increased salary and travel costs provided by law.

## FEDERAL TRADE COMMISSION

*Salaries and expenses.*—The bill contains the budget language increasing the amount available for expenses of travel from \$160,000 to \$175,000.

## GENERAL ACCOUNTING OFFICE

The bill contains language to exempt the General Accounting Office from the provisions of section 102 of the Independent Offices Appropriation Act, 1956. This will permit use of current appropriations for travel expenses in excess of the amount provided for in the original budget estimate. Increased per diem costs due to legislation during the year make removal of the limitation necessary.

## GENERAL SERVICES ADMINISTRATION

*Operating expenses, Public Buildings Service.*—The bill provides the budget estimate of \$4,685,000 for this item which is composed of \$800,000 to meet increased pay rates for wage board employees that became effective on or before February 12, 1956, and the remaining \$3,885,000 is for pay act increases granted by the act of June 28, 1955 (Public Law 94). The travel limitation is also increased from \$163,500 to \$185,600 as proposed in the estimates to compensate for recent travel allowance changes.

*Refunds under Renegotiation Act.*—The Committee recommends an appropriation of \$4,000,000 for this item to finance rebate and refund payments due to World War II contractors as certified by the Internal Revenue Service and as determined by the Tax Court of the United States. The precise amount that will be required is not predictable and the amount provided will remain available until expended. The balance on February 1, 1956, for payment of such claims was at \$496,316, and the \$230,000 average monthly rate of payments during 1955 indicates that current funds will be exhausted soon, making the additional amount necessary.

*Acquisition of land and building, Chicago, Ill.*—The Committee has denied the budget estimate of \$3,000,000 for acquiring the Rand-McNally Building in Chicago, Illinois, until after the new administrator has had an opportunity to appraise the proposal to be certain that purchase of the building is in the best interests of the Government. There are numerous difficulties associated with the proposed purchase and they should be resolved before funds are provided.

*Increased travel limitations.*—The bill contains language increasing certain travel limitations for various items under the General Services Administration to compensate for the increased costs arising from higher per diem allowances and travel costs.



## HOUSING AND HOME FINANCE AGENCY

*Office of the Administrator, Salaries and expenses.*—The bill includes an appropriation for \$398,500, a reduction of \$5,000 in the budget estimate. The bill also provides increases in limitations for travel and nonadministrative expenses to compensate for added costs due to recent legislation for pay increases and travel. The appropriation includes \$45,000 for additional staff expenses for the expanded public works advance planning program under the Housing Amendments of 1955 in addition to the cost of such pay increase and travel costs.

*Office of the Administrator, Housing loans to educational institutions.*—The Committee recommends that administrative expenses for this program be increased by \$206,300, which is a reduction of \$18,700 in the budget estimate. The limitation on expenses of travel is also increased by \$11,400. Of the increase provided, \$168,300 is for the increased volume of college housing loan applications arising from the Housing Amendments of 1955, and the remaining \$38,000 is necessary to provide for the cost of pay increases granted by the act of June 28, 1955 (Public Law 94).

*Office of the Administrator, revolving fund (liquidating programs).*—The bill contains the budget estimate increasing the limitation for administrative expenses for this item by \$188,000, and the limitation on expenses of travel by \$30,000. Both items of increase are based on increased pay costs and travel expenses arising from recent legislation.

*Federal National Mortgage Association.*—The bill includes the budget estimate increasing the limitation under this head by \$40,000 for expenses of travel, which is the added cost resulting from recent legislation.

*Federal Housing Administration.*—The bill provides for an increase of \$792,500 in the limitation on administrative expenses for this agency in the current year, and an increase of \$67,500 in the travel expense limitation.

The increase for administrative expenses is composed of \$247,500 for additional staff for the expanded programs resulting from the Housing Amendments of 1955 and for investigations under the section 608 multi-family housing program seeking to recover excess mortgage proceeds, \$400,000 for financing the added costs of recent pay and travel legislation, and \$145,000 for the cost of the General Accounting Office audit of the Federal Housing Administration.

*Housing investment insurance fund.*—The bill contains the budget language returning \$9,000,000 to the Treasury, which represents the unexpended balance of funds appropriated to the Secretary of the Treasury for initial capital for the Federal Housing Administration's housing investment insurance fund. It is no longer needed.

*Public Housing Administration, Administrative expenses.*—The bill contains an appropriation for \$1,436,500 for this item, which is a reduction of \$88,500 in the budget estimate. The amount provided includes \$500,000 for pay increases, \$80,000 for increased travel costs arising from recent legislation, \$60,000 for the cost of the audit of the Public Housing Administration performed by the General Accounting Office, and \$796,500 for the increased program authorized by the Housing Amendments of 1955. The bill also increases the limitation on travel by \$152,000 to provide for the added travel costs due to higher allowances and the increased workload.

## INTERSTATE COMMERCE COMMISSION

The bill contains the budget language increasing the limitation on expenses of travel by \$67,000 for the appropriation "General Expenses," \$12,950 for "Railroad Safety," and \$11,380 for "Locomotive Inspection." The increased limitations are necessary because of increased travel costs arising from the act of July 28, 1955 (Public Law 189).

## NATIONAL SCIENCE FOUNDATION

*International Geophysical Year.*—The Committee recommends an appropriation of \$26,000,000 for this item, which is a reduction of \$2,000,000 in the budget estimate. The amount in the bill is in addition to \$12,000,000 previously appropriated, making a total of \$38,000,000 for this program. The largest part of the supplemental request is \$19,262,000 for instrumentation for the earth-circling satellite program, and the remainder is for increases in all other parts of the research to be undertaken. The Committee has approved all parts of the research program presented in the budget estimate, but believes that economies can be made that will in no way affect the total program. In addition to funds appropriated to the National Science Foundation for this item, the Department of Defense and other agencies are providing the logistics and other necessary support as part of their own programs. If such expenses were included in the estimates of cost for the International Geophysical Year the total would be greatly increased.

The International Geophysical Year ranges from July 1, 1957, through December 31, 1958, and the total scope of scientific effort for all nations will be between \$250,000,000 and \$300,000,000. Russia is providing approximately the same amount as the United States, and a total of 55 nations are participating. The scientific effort includes geophysical research related to the earth's atmosphere in the fields of aurora and air-glow, ionospheric physics, meteorology, and solar activity and world days. It also includes geophysical research related to the planet earth in the fields of geomagnetism, glaciology, oceanography, seismology, and gravity. The information that will be obtained from the studies is expected to provide a storehouse of scientific source records.

The program for the United States is being handled by outstanding American scientists who are not regular employees of the Government. To identify them a list of the participating scientists is in the hearings starting on page 490. It was testified by Dr. Lloyd V. Berkner, President of the International Council of Scientific Unions, that it was his feeling that the flight of the first satellite will represent a step forward in providing us with power in scientific tools that is comparable to the invention of atomic energy, and Dr. Joseph Kaplan, Chairman of the United States National Committee for the International Geophysical Year, described the satellite program as the opening of perhaps the greatest new scientific effort we have had since the invention of the telescope.



## SECURITIES AND EXCHANGE COMMISSION

*Salaries and expenses.*—The bill increases the travel limitation for this agency from \$132,000 to \$157,500 for financing increased travel costs resulting from recent legislation.

## VETERANS' ADMINISTRATION

*Inpatient care.*—The bill provides for increasing the travel limitation for this item by \$111,700, which is \$5,900 less than the budget estimate, and amends the appropriation language for Inpatient care in the Independent Offices Appropriation Act, 1956, to permit the current appropriation to be used without reduction, although the average number of beneficiaries who will require care and treatment is now estimated to be 1,175 less than the number forecast in the 1956 Budget. A supplemental appropriation for pay increase costs is in another part of the bill.

*Outpatient care.*—The Committee recommends the budget estimate of \$3,882,200 for this item. The budget language also provides for increasing the current travel limitation by \$38,000. This additional appropriation is composed of \$3,382,200 for employee pay increases and \$500,000 for additional program purposes which were not foreseen at the time the original budget estimates were prepared. The additional amount is to finance the cost of new drugs in the treatment of tuberculosis and neuropsychiatric patients, new transistor type hearing aids, and other necessary items of expense.

*Compensation and pensions.*—The Committee recommends an appropriation of \$10,000,000 for this purpose, which is \$10,000,000 less than the budget estimate. During the hearings the Veterans' Administration estimated that in view of recent cost experience since the preparation of the supplemental budget estimate it is indicated that \$10,000,000 will be adequate for the remainder of the year, and that the other \$10,000,000 will not be required.

*Readjustment benefits.*—The Committee recommends the supplemental budget estimate of \$185,000,000 for this purpose. The original budget estimate was predicated on an average monthly training load of 435,000 veterans in training and current trends indicate there will be 545,000 trainees in the fiscal year 1956. The additional appropriation is to finance the program on this newly estimated level through June 30, 1956.

*Increased travel limitations.*—The limitations on amounts available in 1956 for travel expenses under appropriations for "General operating expenses" is increased to \$2,891,550, "Medical administration and miscellaneous operating expenses" is increased to \$824,950, and "Maintenance and operation of supply depots" is increased to \$2,880. The increased limitations are to allow for additional per diem and travel expenses arising from recent legislation.

*Comparative statement of budget estimates and amounts recommended in the bill*

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	INDEPENDENT OFFICES			
	CIVIL SERVICE COMMISSION			
330	Salaries and expenses-----	(1)	(1)	-----
330	Investigations of United States citizens for employment by international organizations-----	\$119, 000	\$107, 100	-\$11, 900
330	Annuities, Panama Canal construction employees and Light- house Service Windows-----	70, 000	70, 000	-----
330	Administrative expenses, employees' life insurance fund-----	(1)	(1)	-----
	Total, Civil Service Commission-----	189, 000	177, 100	- 11, 900
	FEDERAL COMMUNICATIONS COMMISSION			
330	Salaries and expenses-----	(1)	(1)	-----
	FEDERAL HOME LOAN BANK BOARD			
330	Administrative expenses-----	(1)	(1)	-----
	FEDERAL TRADE COMMISSION			
330	Salaries and expenses-----	(1)	(1)	-----
	GENERAL ACCOUNTING OFFICE			
	Salaries and expenses-----	(1)	(1)	-----





*Comparative statement of budget estimates and amounts recommended in the bill—Continued*

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
<b>INDEPENDENT OFFICES—Continued</b>				
PUBLIC HOUSING ADMINISTRATION				
330	Administrative expenses-----	1 \$1, 525, 000	1 \$1, 436, 500	—\$88, 500
	Total, Housing and Home Finance Agency-----	1, 928, 500	1, 835, 000	—93, 500
INTERSTATE COMMERCE COMMISSION				
330	General expenses-----	(1)	(1)	-----
330	Railroad safety-----	(1)	(1)	-----
330	Locomotive inspection-----	(1)	(1)	-----
NATIONAL SCIENCE FOUNDATION				
330	International Geophysical Year-----	28, 000, 000	26, 000, 000	—2, 000, 000
SECURITIES AND EXCHANGE COMMISSION				
330	Salaries and expenses-----	(1)	(1)	-----
VETERANS' ADMINISTRATION				
330	Inpatient care-----	(1)	(1)	-----
330	Outpatient care-----	3, 882, 200	3, 882, 200	-----
330	Compensation and pensions-----	20, 000, 000	10, 000, 000	—10, 000, 000
330	Readjustment benefits-----	185, 000, 000	185, 000, 000	-----

330	General operating expenses-----	(1)	(1)	-----
330	Medical administration and miscellaneous operating expenses--	(1)	(1)	-----
330	Maintenance and operation of supply depots-----	(1)	(1)	-----
	Total, Veterans' Administration-----	208, 882, 200	198, 882, 200	— 10, 000, 000
	Total, Chapter V-----	248, 284, 700	235, 579, 300	— 12, 705, 400

<sup>1</sup> Language.

<sup>2</sup> Rescission of unexpended balances

## CHAPTER VI

### SUBCOMMITTEE

MICHAEL J. KIRWAN, Ohio, *Chairman*

W. F. NORRELL, Arkansas

ALFRED D. SIEMINSKI, New Jersey

DON MAGNUSON, Washington

BEN F. JENSEN, Iowa

IVOR D. FENTON, Pennsylvania

ERRETT P. SCRIVNER, Kansas

## DEPARTMENT OF THE INTERIOR

### OFFICE OF THE SECRETARY

*Research in the utilization of saline water.*—The budget estimate of \$200,000 is recommended for acceleration of the contract research program on saline water as authorized by the Act of June 29, 1955.

### BUREAU OF LAND MANAGEMENT

*Management of lands and resources.*—The budget estimate for the programs under this heading is \$1,681,700. The Committee recommends an appropriation of \$800,000, a reduction of \$881,700. Of the amount allowed, \$581,700 is to cover increased costs due to the Pay Act of the last session of Congress, and \$180,000 is to cover costs of fire fighting during the current fiscal year.

*Construction.*—The budget estimate of \$2,000,000 for accelerating the access road program in the Oregon and California land grant area has been disallowed. The Committee was advised that the purpose of the funds requested was to advance portions of the program originally planned for 1957. Since the appropriation for 1957 has already been acted upon by the House, the net effect of allowing the supplemental funds would be to create a balance in the amounts provided for 1957 which would remain unobligated at the end of that fiscal year or be applied to construction program items of lower priority. Neither is considered necessary at this time.

### BUREAU OF INDIAN AFFAIRS

*Education and welfare services.*—The Committee has allowed the budget estimate of \$1,871,000. Of this amount, \$1,350,000 is to meet increased Pay Act costs and \$521,000 is for payment to States under recently renegotiated contracts for the education of Indian children in public school systems.

### GEOLOGICAL SURVEY

*Surveys, investigations, and research.*—The budget estimate of \$1,650,000 is recommended. Of this amount, \$1,405,000 is required to meet pay increases. The remaining \$245,000 is to meet the costs

of hydrological surveys of the 1955 floods in the northeastern United States and for rehabilitation of gauging station facilities damaged by the floods.

#### NATIONAL PARK SERVICE

*Jones Point Bridge.*—The Committee has disallowed an estimate of \$500,000 for acquisition of land in connection with the construction of the Jones Point Bridge. Pending legislation would change the authorization for this bridge, altering its design, fixing maintenance responsibility, and transferring jurisdiction for its construction from the Interior Department to the Bureau of Public Roads in the Commerce Department. Until there is a clarification with respect to these matters, the need for either construction or land acquisition funds appears to be questionable.

*Construction.*—The budget estimate of \$3,000,000 is recommended for construction of the Jefferson National Expansion Memorial in St. Louis, Missouri, as authorized by the Act of May 17, 1954.

#### FISH AND WILDLIFE SERVICE

*Federal aid in wildlife restoration.*—The bill contains language which provides for the distribution of accumulated unappropriated receipts in the Federal aid to wildlife restoration fund to the States and Territories, in accordance with the Act of August 12, 1955.

#### OFFICE OF TERRITORIES

*Administration of Territories.*—The Committee has allowed the budget estimate of \$60,000 to cover the cost of increased average daily patient load of Alaskan insane at the Morningside Hospital in Portland, Oregon.

#### DEPARTMENT OF AGRICULTURE

##### FOREST SERVICE

*Salaries and expenses.*—The budget estimate for the activities under this heading is \$8,213,500. An appropriation of \$7,913,500 is recommended, a reduction of \$300,000. Of the amount provided, \$2,463,500 is for increased costs due to the Pay Act of the first session of this Congress, and \$5,250,000 is to cover costs of fighting forest fires for the first six months of the current year and to provide funds for this purpose for the last half of the fiscal year. The balance of \$200,000 is for timber management and is to be used primarily for salvaging the large volumes of timber fire-killed last fall. A total of \$500,000 was requested for the timber management program in order to increase the timber cut. While the Committee recognizes the desirability of promptly harvesting fire-killed timber, the need for a two-month running start on the large increases provided for timber cutting purposes in the regular bill for 1957 does not appear to be of such urgency as to warrant treatment in a supplemental bill.



## DISTRICT OF COLUMBIA AUDITORIUM COMMISSION

The budget estimate of \$25,000 has been disallowed. Despite the fact that funds had previously been denied for the Commission's activities through the action of the Congress on the Supplemental Appropriation Bill, 1956, the Commission proceeded to begin operations and to assume obligations reportedly with the understanding that should the obligations not be covered by a later appropriation the services rendered would be gratis. The estimate presented was for the purpose of covering the cost of services so far during this fiscal year. This cost is within \$4,000 of the total amounts authorized to be appropriated by the act establishing the Commission. To appropriate the money requested would be to concede that the obligations incurred were legitimate obligations of the Federal government which is not the case, and the precedent inherent in such an action would be to set aside the Anti-Deficiency Act. It is not the intention of the Committee to be critical of the enthusiasm and willingness of the persons and firms who have generously attempted to move this project forward. However, the action was taken in the face of a clear expression of intent by the Congress in previously disapproving funds for the Commission and in the Committee's opinion it would be entirely inappropriate for the Congress to proceed in any case on the basis of picking up obligations contracted by either private citizens or officials of the government for which no specific appropriation has been made.

## NATIONAL MONUMENT COMMISSION

*Salaries and expenses.*—The budget estimate of \$25,000 for the National Monument Commission has been disallowed. It was testified at the time of the hearings that the building of the monument referred to in the basic legislation for symbolizing the ideals of democracy would be "something like the pyramids" on which we could be building for a very long time at an unknown price. The need for entering into such an unlimited and undefined project at this time is not clear. In addition, it is the Committee's opinion that the Capitol Building itself is the best possible symbolization of the ideals of democracy.

*Comparative statement of budget estimates and amounts recommended in the bill*

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF THE INTERIOR			
	OFFICE OF THE SECRETARY			
330	Research in the utilization of saline water-----	\$200, 000	\$200, 000	-----
	BUREAU OF LAND MANAGEMENT			
330	Management of lands and resources-----	1, 681, 700	800, 000	--\$881, 700
330	Construction-----	2, 000, 000	-----	-2, 000, 000
	BUREAU OF INDIAN AFFAIRS			
330	Education and welfare services-----	1, 871, 000	1, 871, 000	-----
	GEOLOGICAL SURVEY			
330	Surveys, investigations, and research-----	1, 650, 000	1, 650, 000	-----
	NATIONAL PARK SERVICE			
330	Jones Point Bridge-----	500, 000	-----	--500, 000
352	Construction-----	3, 000, 000	3, 000, 000	-----
	FISH AND WILDLIFE SERVICE			
330	Federal aid in wildlife restoration <sup>1</sup> -----	(13, 467, 468)	(13, 467, 468)	-----

<sup>1</sup> Appropriation of receipts. Not included in totals of this tabulation.

*Comparative statement of budget estimates and amounts recommended in the bill—Continued*

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	<b>DEPARTMENT OF THE INTERIOR—Continued</b>			
	<b>OFFICE OF TERRITORIES</b>			
330	Administration of Territories-----	\$60, 000	\$60, 000	-----
	Total, Department of the Interior-----	10, 962, 700	7, 581, 000	—\$3, 381, 700
	<b>DEPARTMENT OF AGRICULTURE</b>			
	<b>FOREST SERVICE</b>			
330	Salaries and expenses-----	8, 213, 500	7, 913, 500	—300, 000
	<b>INDEPENDENT OFFICES</b>			
330	District of Columbia Auditorium Commission-----	25, 000	-----	—25, 000
330	National Monument Commission-----	25, 000	-----	—25, 000
	Total, Independent Offices-----	50, 000	-----	—50, 000
	Total, Chapter VI-----	19, 226, 200	15, 494, 500	—3, 731, 700

## CHAPTER VII

### SUBCOMMITTEE

**JOHN E. FOGARTY, Rhode Island, *Chairman***

ANTONIO M. FERNANDEZ, New Mexico,

JOHN TABER, New York

Chairman for related agencies

T. MILLET HAND, New Jersey

HENDERSON LANHAM, Georgia

BEN F. JENSEN, Iowa

WINFIELD K. DENTON, Indiana

### DEPARTMENT OF LABOR

#### BUREAU OF LABOR STATISTICS

*Special wage survey.*—The Committee has disallowed the request for \$200,000 to carry out a special survey of hourly earnings of employees engaged in retail trades. It was obvious that the justifications for this program which were submitted to the Committee had been very hurriedly put together. It was brought out in the hearings that some of the most basic features of the program had not yet been determined. Mr. Clague, Commissioner of the Bureau of Labor Statistics, stated, "We are giving consideration to the sample to be selected and the items to be included in the questionnaire." It is the belief of the Committee that an effective survey of the type contemplated could be made for considerably less money than was requested. For instance, the estimate included \$57,240 for travel, even though it seems quite obvious that this survey could be made entirely by means of mailed questionnaires. This procedure obviously would cut out practically all of the funds requested for travel as well as a considerable number of the positions.

The Committee, and subsequently the House, were quite generous with the Bureau of Labor Statistics in appropriating funds for fiscal year 1957, in which year the bulk of the expenses of this survey would fall. It is the belief of the Committee that if it is important to make this survey, it can easily be done with the funds already provided.

### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

#### OFFICE OF EDUCATION

*Payments to school districts.*—The Committee approved the request for \$25,000,000, which will make a total of \$90,000,000 available for this purpose. This increase is made necessary by Public Law 382 of the last session of Congress, which liberalized the eligibility requirements for Federal assistance. The amount carried in the bill will provide for the full entitlements under the authorizing legislation, according to the current estimates of the Office of Education.



*Assistance for school construction.*—The Committee approved the request for \$9,900,000. This increase is to cover new entitlements under Public Law 382 and to permit payments to all districts that have been determined to be eligible for assistance under Public Law 815 as amended. The amount carried in the bill is estimated by the Office of Education to be sufficient to provide in full for the assistance authorized by law.

#### PUBLIC HEALTH SERVICE

*Grants to States for poliomyelitis vaccination.*—The Committee has included \$27,800,000, a reduction of \$5,200,000 from the formal request for \$33,000,000, but the exact amount of the latest estimate which has been submitted to the Committee by the Department. The reduction is occasioned entirely by a reduction in the price of vaccine below that upon which the original estimate was based.

*Construction of research facilities.*—The Committee has approved the full amount of the request for \$3,190,000, together with not to exceed \$310,000 of the unobligated balance of funds previously appropriated under this head. These funds will provide for the construction of a laboratory building for the biologics standards activities of the National Institutes of Health. It was necessary to expand these activities considerably as a result of the development of a vaccine for poliomyelitis. Since sufficient facilities were not available for this expanded activity it is being carried out only by utilizing facilities previously assigned for other functions of the National Institutes of Health. This not only interferes with these other activities, but in some instances is not satisfactory for the biologics standards work. Especially since it seems inevitable that there will be a still further and necessary expansion of these activities as additional biologics are developed, the Committee has approved the full request and will be very much displeased if the planning and construction of this building is not handled in an expeditious manner.

#### SOCIAL SECURITY ADMINISTRATION

*Grants to States for public assistance.*—The Committee has approved \$47,000,000 of the request for \$57,000,000. At the time the budget for 1957 was presented to Congress in January it was estimated that \$72,000,000 would be necessary for this purpose. On the basis of a reevaluation of the need, this estimate was revised to \$57,000,000 early in February. On the basis of the latest statistics available to the Committee, it appears at this time that not more than \$47,000,000 will be required in addition to the \$1,400,000,000 already appropriated.

#### NATIONAL LABOR RELATIONS BOARD

*Salaries and expenses.*—The Committee has approved \$800,000 of the request for \$951,500. The amount approved will provide \$526,500 estimated to be necessary to cover the cost of pay increases granted under Public Law 94, 84th Congress, and will provide for a continuation of the present staff for the rest of the year.

## RAILROAD RETIREMENT BOARD

*Salaries and expenses.*—The Committee has approved \$548,000 of the request for an additional \$888,000. It is estimated that \$393,000 of the increase allowed will be required to cover the cost of pay increases granted under Public Law 94, 84th Congress. The remaining \$155,000 is the amount estimated to be necessary for the non-recurring work of adjusting approximately 90,000 cases to reflect new monthly benefit rates established by Public Law 383 of the 84th Congress. It is believed that no great difficulty will be experienced in carrying out any of the additional activities included in the request, which the board finds to be necessary, within the amount of \$6,100,000 already provided for 1956.

*Comparative statement of budget estimates and amounts recommended in the bill*

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF LABOR			
	BUREAU OF LABOR STATISTICS			
330	Special wage survey-----	(1)	-----	(1)
	Total, Department of Labor-----	-----	-----	-----
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE			
	OFFICE OF EDUCATION			
330	Payments to school districts-----	\$25, 000, 000	\$25, 000, 000	-----
330	Assistance for school construction-----	9, 900, 000	9, 900, 000	-----
	PUBLIC HEALTH SERVICE			
330	Grants to States for poliomyelitis vaccination-----	33, 000, 000	27, 800, 000	-\$5, 200, 000
330	Construction of research facilities-----	3, 190, 000	3, 190, 000	-----
	SOCIAL SECURITY ADMINISTRATION			
330	Grants to States for public assistance-----	57, 000, 000	47, 000, 000	-10, 000, 000
	Total, Department of Health, Education, and Welfare--	128, 090, 000	112, 890, 000	-15, 200, 000

330	NATIONAL LABOR RELATIONS BOARD		951, 500	800, 000	-151, 500
	Salaries and expenses-----				
330	NATIONAL MEDIATION BOARD		(2)		(2)
	Salaries and expenses-----				
330	RAILROAD RETIREMENT BOARD		[ 888, 000 ]	[ 548, 000 ]	[ - 340, 000 ]
	Salaries and expenses-----				
	Total, Chapter VII-----		129, 041, 500	113, 690, 000	-15, 351, 500

<sup>1</sup> Request for transfer of \$200,000 from "Unemployment compensation for veterans" was not allowed.

<sup>2</sup> Request for transfer of \$31,000 from "Arbitration and emergency boards" was not allowed.



## CHAPTER VIII

### SUBCOMMITTEE

#### CLARENCE CANNON, *Missouri, Chairman*

LOUIS C. RABAUT, Michigan  
MICHAEL J. KIRWAN, Ohio  
JOHN E. FOGARTY, Rhode Island  
JOHN J. RILEY, South Carolina  
JOE L. EVINS, Tennessee  
EDWARD P. BOLAND, Massachusetts  
JAMES C. MURRAY, Illinois  
DON MAGNUSON, Washington

GLENN R. DAVIS, Wisconsin  
BEN F. JENSEN, Iowa  
JOHN PHILLIPS, California  
H. CARL ANDERSEN, Minnesota  
T. MILLET HAND, New Jersey  
JOHN TABER, New York

### PUBLIC WORKS

#### DEPARTMENT OF THE INTERIOR

##### OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

The budget estimate of \$235,000 is recommended for the purchase of firming energy and payment of wheeling charges. Low water conditions and the implementation of contracts with fourteen new preferred customers make it necessary for the Southeastern Power Administration to purchase additional firming energy and to pay additional wheeling charges in order to assure adequate service to the Government's customers in the Administration's operating area.

#### DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

##### OPERATION AND MAINTENANCE, GENERAL

The Committee has allowed the budget estimate of \$15,350,000, of which \$15,000,000 is to reimburse the emergency fund for the costs of flood fighting, rescue work and the restoration of flood control works primarily in the states of California, Oregon, and Nevada. The remaining \$350,000 is to cover the cost of Pay Act increases.

#### TENNESSEE VALLEY AUTHORITY

The supplemental estimate considered by the Committee was for \$3,500,000 to finance construction work during the current fiscal year on a needed generating unit at the John Sevier Steam Plant. The budget recommendations for this supplemental estimate and for the fiscal year 1957 contemplate that completion of the unit at the John Sevier Plant and construction of additional units at the Johnsonville Steam Plant will be financed with revenue bonds under legislation which is now pending in Committee in the two Houses. The Committee finds that the Tennessee Valley Authority's power revenues have provided it with sufficient funds for the construction of such additional units as TVA now requires, and believes that the Agency should follow normal business procedure, using its revenues to the extent necessary. The requested \$3,500,000 has therefore been disallowed.

A minority of the Committee opposes the TVA using its own money to meet its power needs and in addition voted against the President's recommendation to appropriate money for this purpose. The only conclusion to be reached is that the minority is simply opposed to the people of the TVA region having power to meet increasing needs.

Extraneous matters were raised during consideration of this estimate which, while not pertinent to the problem before our committee, do require some comment to keep the record straight.

Briefly, the President of the United States, in his annual budget message to the Congress, expressed his approval of the commencement of construction of certain generating units to be added to existing plants on the TVA system. He recommended that \$3,500,000 be appropriated to begin construction immediately of a unit at the John Sevier plant in Eastern Tennessee and proposed that the balance of the costs of this unit, and all the costs of the additional units be met by proceeds from the sale of revenue bonds. Much of the space and a good deal of the heat in the hearings appears to be directed at the President's suggestion that TVA finance additions to its power system by the issuance of revenue bonds. This is a controversy between certain minority members of the Committee and the President of the United States. No position is taken on the merits of revenue bond legislation since that is a matter for the appropriate legislative committees of the Congress.

The realities of the situation are clear. In 1940, following authorization by the Congress of the purchase of the properties of certain private power companies TVA became the sole source of power supply for its service area. Now, over 1,300,000 customers buy their electricity from the 150 distributors which purchase power at wholesale from TVA. The farms, the homes, and industries of this great area rely on TVA to meet their increasing needs for energy. Great installations for our national defense are located in the region. There is no dispute about the need for additional capacity to meet their power requirements. The question is how new capacity shall be financed. At the time the President made his recommendation it might have been reasonable to anticipate early action on the so-called bond amendments to the TVA Act, and therefore to expect bond proceeds to be available to meet the costs of generating units in the next fiscal year. At the present time, however, it is obvious that even if passage of the legislation were accomplished with a celerity unprecedented in Congressional history, the long and complicated process of bond issuance could not be expected to provide funds in time to meet the need.

The Committee considered this situation, and recognizing that only two methods of financing are available to TVA at the present time—the appropriation of funds by Congress, or the use by TVA of its revenues for the purposes authorized by law, the latter method is recommended. The Committee shares the desire of the administration to reduce appropriations wherever possible and therefore recommends use of its power revenues so as not to require new appropriations.

A minority of the Committee, on the other hand, gives no consideration to this answer. Instead, it resorts to familiar attacks on TVA, and in effect proposes to break up and destroy this great power system, repealing the TVA Act by indirection, and as a consequence leaving the people of this one area without power required to maintain its standard of living or provide for the economic growth of the present



geographic area served by TVA. In the opinion of the Committee it is unthinkable that the Congress would deliberately schedule a power shortage in 1957 and 1958 in any area of the nation, and when we consider that more than half of TVA's power output is now being used by AEC, the Air Force wind tunnel center at Tullahoma, Tennessee, the guided missile project at Redstone Arsenal, Alabama, and other vital defense installations, we realize that a breakdown of TVA power supply would be a national disaster.

The question of the constitutionality of the TVA steam plants has been raised repeatedly in debate on TVA appropriations over the past ten years, and Congress, overruling such contention, has approved eight large steam plants. The question has come before the courts in one case, and in that case a three-judge Federal court sustained the constitutionality of the TVA steam plants. (See *Rainbow Realty Company v. TVA*, F. Supp. 436 (1954).) Likewise the question of TVA's statutory authority to use power proceeds for the construction of new power generating units is not novel. The TVA Act has been so interpreted from the beginning, and Congress has known and accepted this interpretation, and has indeed welcomed the reduction in the amount of appropriation which would otherwise have been requested. Over the years ten generating units in existing projects have been begun with earnings from the power system and all but two have been completed out of earnings. Two of these units at Wheeler Dam were begun after the addition of the language in the 1948 Appropriation Act so frequently referred to. A reading of the full Congressional debate at the time this provision was enacted, quoted in the opinion of TVA's General Counsel in the hearings can leave no doubt that Congress did not intend to restrict the use of revenues for new units at existing projects, such as are involved here, but only to limit the commencement of construction of new projects out of earnings.

The Committee would point out that the Administration has recognized the national importance of adequate generating capacity on privately owned power systems to the extent of providing (through the tax amortization device) over two billion dollars of interest-free loans to the private utilities for the construction of new capacity. Certainly the need for power in this area, where the percentage of national defense loads is higher than in any other area of the country, is just as urgent and the responsibility of the government is greater.

Common business sense supports the Committee's recommendation. We believe it is more sound to use money at hand rather than make new appropriations. The power units which are involved are all in existing plants, and much of the investment in general facilities required for their operation, such as rail connections, coal yards, and coal handling equipment, and smokestacks, has already been made in connection with the installation of earlier units. The new generating capacity can therefore be installed at low unit cost. It constitutes economical additions to the TVA system which is owned by the United States to provide power urgently needed. It will preserve and enhance the investment which the Federal Government has already made.

No new arguments or novel considerations have been raised in consideration of the estimate before the Committee. The Committee reaffirms its judgment, and believes that TVA should use its revenues to the extent they are available to add units at existing plants to meet the power requirements of its service area.

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*Comparative statement of budget estimates and amounts recommended in the bill*

H. Doc. No.	Department or agency	Budget estimates	Recommended in bill	Bill compared with estimates
	PUBLIC WORKS			
	DEPARTMENT OF THE INTERIOR			
	OFFICE OF THE SECRETARY			
330	Operation and Maintenance, Southeastern Power Administration-----	\$235, 000	\$235, 000	-----
	DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS			
	RIVERS AND HARBORS AND FLOOD CONTROL			
330	Operation and Maintenance, General-----	15, 350, 000	15, 350, 000	-----
330	TENNESSEE VALLEY AUTHORITY-----	3, 500, 000	-----	—\$3, 500, 000
	Total, Chapter VIII-----	19, 085, 000	15, 585, 000	—3, 500, 000



## CHAPTER IX

### SUBCOMMITTEE

JOHN J. ROONEY, New York, *Chairman*

PRINCE H. PRESTON, JR., Georgia

ROBERT L. F. SIKES, Florida

DON MAGNUSON, Washington

FREDERIC R. COUDERT, JR., New York

FRANK T. BOW, Ohio

CLIFF CLEVINGER, Ohio

### DEPARTMENT OF STATE

#### PAYMENT TO FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

The full amount of the budget estimate, \$1,236,000, is included in the bill and is to provide for the Government's net share of cash disbursements from this fund during the current fiscal year. The Department had not previously requested funds for this purpose in the 1956 regular bill pending final decision on the method of determining the amount of the Government's annual contribution to this fund.

#### EXTENSION AND REMODELING, STATE DEPARTMENT BUILDING

The bill includes \$800,000, a reduction of \$100,000 in the amount of the budget estimate, for completion of plans and related preliminary work preparatory to securing bids for construction in connection with the extension and remodeling of the existing main building of the Department of State. The sum of \$1,000,000 was previously appropriated for this purpose in the Supplemental Appropriation Act, 1956.

#### CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

There is included in the bill an additional \$349,790, the amount of the State Department's additional request for the World Health Organization. The sum of \$3,000,000 was appropriated for United States membership in this organization in the regular Department of State Appropriation Act, 1956. This was the amount of the statutory limitation on the amount authorized to be appropriated annually for this organization. However, subsequently Public Law 138, 1st session, 84th Congress, removed the \$3,000,000 limitation and as the result the Department of State has requested this increase of \$349,790.

### DEPARTMENT OF JUSTICE

#### LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

*Salaries and expenses, general legal activities.*—The bill includes \$500,000 for this item, a reduction of \$50,000 in the amount of the budget estimate. Of the amount allowed, \$470,000 is to cover costs of the general classified salary increases granted by the act of June 28, 1955 (Public Law 94) and \$30,000 is to cover salary increases

granted the Assistant Attorneys General and the Solicitor General by the act of March 2, 1955 (Public Law 9).

*Salaries and expenses, Antitrust Division.*—The Committee recommends allowance of the full amount of the budget estimate, \$364,000, for the Antitrust Division. Of this amount, \$209,000 is to cover costs of the general classified salary increases granted by the act of June 28, 1955 (Public Law 94); \$5,000 is to cover the salary increase granted the Assistant Attorney General by the act of March 2, 1955 (Public Law 9); and \$150,000 is to provide for activities resulting from legislation enacted subsequent to the enactment of the regular 1956 Department of Justice Appropriation Act, principally Public Law 137 amending the Clayton Act and for litigation in behalf of the International Cooperation Administration against several major oil companies involving approximately \$100,000,000 in overcharges on government financed shipments of crude oil from the Arabian Peninsula.

*Fees and expenses of witnesses.*—There is included in the bill an additional \$100,000 for the payment of fees and expenses of witnesses, a reduction of \$100,000 in the amount requested in the budget estimate. This reduction is recommended in view of testimony to the effect that expenditures for this purpose so far in this fiscal year are less than they were for the comparable period last year.

*Salaries and expenses, claims of persons of Japanese ancestry.*—The Committee recommends \$600,000 for this item of which \$12,000 is for the payment of costs of increased salary rates granted by the act of June 28, 1955 (Public Law 94) and \$588,000 for the payment of claims already adjudicated or expected to be adjudicated during the remainder of the current fiscal year. This is considered ample to pay the number of claims which have been or will be adjudicated during the present fiscal year.

## THE JUDICIARY

### SUPREME COURT OF THE UNITED STATES

*Miscellaneous expenses.*—The amount of the budget estimate \$900, is included in the bill for rental of parking facilities.

### COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

*Travel and miscellaneous expenses.*—The bill includes language authorizing the transfer of \$225,000 from the appropriation "Fees of jurors and commissioners" fiscal year 1956 to the item, "Travel and miscellaneous expenses." This is to provide for increased travel costs of Judicial personnel resulting from the authorized higher rates for mileage and per diem pursuant to the act of July 28, 1955 (Public Law 189).

*Salaries and expenses of referees.*—There is included in the bill an additional \$6,375 for "Salaries of referees" and \$111,500 for "Expenses of referees." These sums are to cover the cost of increased salaries for referees, salary increases granted by the act of June 28, 1955 (Public Law 94), increased mileage and per diem pursuant to the act of July 28, 1955 (Public Law 189), and to provide 10 additional bankruptcy clerks for the last 4 months of the present fiscal year.

*Comparative statement of budget estimates and amounts recommended in the bill*

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DEPARTMENT OF STATE			
330	Payment to Foreign Service retirement and disability fund-----	\$1, 236, 000	\$1, 236, 000	-----
330	Extension and remodeling, State Department Building-----	900, 000	800, 000	-\$100, 000
330	Contributions to international organizations-----	349, 790	349, 790	-----
	Total, Department of State-----	2, 485, 790	2, 385, 790	-\$100, 000
	DEPARTMENT OF JUSTICE			
	LEGAL ACTIVITIES AND GENERAL ADMINISTRATION			
330	Salaries and expenses, general legal activities-----	550, 000	500, 000	-\$50, 000
330	Salaries and expenses, Antitrust Division-----	364, 000	364, 000	-----
330	Fees and expenses of witnesses-----	200, 000	100, 000	-\$100, 000
330	Salaries and expenses, claims of persons of Japanese ancestry-----	712, 000	600, 000	-\$112, 000
	Total, Department of Justice-----	1, 826, 000	1, 564, 000	-\$262, 000
	THE JUDICIARY			
	SUPREME COURT OF THE UNITED STATES			
330	Miscellaneous expenses-----	900	900	-----

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES			
330	Travel and miscellaneous expenses-----	(1)	(1)
330	Salaries of referees-----	(6, 375)	(6, 375)
330	Expenses of referees-----	(111, 500)	(111, 500)
	Total, the Judiciary-----	900	900
	Total, Chapter IX-----	4, 312, 690	3, 950, 690
			-362, 000

1 \$225,000 to be derived by transfer.



## CHAPTER X

### SUBCOMMITTEE

**J. VAUGHAN GARY, Virginia, *Chairman***

OTTO E. PASSMAN, Louisiana

ALFRED D. SIEMINSKI, New Jersey

JAMES C. MURRAY, Illinois

GORDON CANFIELD, New Jersey

EARL WILSON, Indiana

BENJAMIN F. JAMES, Pennsylvania

## TREASURY DEPARTMENT

### BUREAU OF ACCOUNTS

*Salaries and expenses.*—The bill includes \$163,000, the amount of the estimate. This is in addition to the regular annual appropriation of \$2,785,000 already available in 1956. The increase includes \$126,000 to cover the cost of Federal employees pay increases, and \$37,000 to process additional workload in depositary receipts resulting from both better compliance with the law, and a change in regulation pertaining to farmer-employers' depositing of taxes withheld.

### COAST GUARD

*Reserve training.*—The Committee recommends two supplemental estimates, \$868,000 for 1956 (to be derived by transfer) and \$3,500,000 for 1957, contained in House Documents 330 and 326, respectively, in the amounts submitted. Both of these items are for the training of, and preparation for the training of, new enlistees in the Coast Guard Reserve under the terms of the Reserve Forces Act of 1955. The program anticipates that mobilization manpower requirements will be reached by 1963, and the amounts recommended are a start in that direction, providing for an increase in training facilities and for an increase of 2,052 trainees in 1957.

Although no experience has been obtained, the Committee recommends the amounts of the estimates so that the program may get under way. It is expected that progress will be thoroughly reviewed in connection with the presentation of the regular annual estimates for 1958.

## THE TAX COURT OF THE UNITED STATES

### SALARIES AND EXPENSES

The bill includes the amount of the estimate of \$87,000 for the Tax Court. This amount supplements the currently available sum of \$1,170,000 for fiscal year 1956, and represents \$48,000 for the increased Federal employee pay, \$35,850 for the retirement and terminal leave pay and expenses of recall of one judge recently retired and \$3,150 to cover the cost of increased travel per diem authorized by Public Law 189, 84th Congress.

## INCREASED PAY COSTS

The Committee recommends the amounts of the budget estimates for various appropriations in the Treasury and Post Office Departments as contained in House Document Numbered 341. These amounts appear in another chapter of the bill and report.

*Comparative statement of budget estimates and amounts recommended in the bill*

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	<b>TREASURY DEPARTMENT</b>			
	<b>BUREAU OF ACCOUNTS</b>			
330	Salaries and expenses-----	\$163, 000	\$163, 000	-----
330	Reserve training-----	(1)	(1)	-----
326	Reserve training, 1957-----	3, 500, 000	3, 500, 000	-----
	Total, Treasury Department-----	3, 663, 000	3, 663, 000	-----
	<b>THE TAX COURT OF THE UNITED STATES</b>			
330	Salaries and expenses-----	87, 000	87, 000	-----
	Total, Chapter X-----	3, 750, 000	3, 750, 000	-----

<sup>1</sup> Transfer of \$868,000.

## CHAPTER XI

### SUBCOMMITTEE

LOUIS C. RABAUT, Michigan, *Chairman*

OTTO E. PASSMAN, Louisiana

EARL WILSON, Indiana

WILLIAM H. NATCHER, Kentucky

BENJAMIN F. JAMES, Pennsylvania

## DISTRICT OF COLUMBIA

### FEDERAL PAYMENT

The Committee has disapproved the budget estimate for \$2,000,000.

### OPERATING EXPENSES

#### METROPOLITAN POLICE

The Committee has approved the budget estimate of \$240,000 for payment to members of the Police Force for services performed on their days off during the emergency created by the transit strike last summer.

### DEPARTMENT OF PUBLIC HEALTH

*Medical charities.*—The Committee recommends an appropriation of \$130,000, a reduction of \$20,000 in the budget estimate. The recommended amount will make available a total of \$1,000,000 during fiscal year 1956 for this program which provides emergency medical care for qualified indigent patients through contractual arrangements with eight hospitals.

*Freedmen's Hospital.*—The budget estimate of \$137,489 for payment to Freedmen's Hospital for services rendered to indigent patients in fiscal year 1954 is approved. The additional amount is to eliminate the deficit created by increased patients and an increased per diem rate not anticipated at the time of the passage of the 1954 Appropriation Act.

### PUBLIC WELFARE

*Public assistance grants.*—The budget estimate of \$250,000 for public assistance grants is approved. This amount is necessary to enable the Department to pay such grants for the balance of the fiscal year. These grants are currently paid at a rate of 78 percent of need based on April 1953 prices. Failure to provide this supplemental amount would result in decreasing the percentage rate of the grant.

*National Training School for Boys.*—The Committee approves the budget estimate of \$327,000. This appropriation will provide for reimbursement to the Federal Treasury for care of boys committed to the School in 1955 in excess of the number budgeted for in the 1955 Appropriation Act.



## DEPARTMENT OF HIGHWAYS

The budget estimate of \$393,000 for increased costs of electric street lighting is approved. This additional amount is necessitated as a result of an increase in the electric energy rate and service charges of the Potomac Electric Power Company, which were approved by the Public Utilities Commission on May 6, 1955.

## CLAIMS, SUITS, AND JUDGMENTS

The Committee approves the budget estimate for each of these items.

*Comparative statement of budget estimates and amounts recommended in the bill*

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
	DISTRICT OF COLUMBIA			
330	Federal payment-----	\$2, 000, 000	-----	-\$2, 000, 000
	OPERATING EXPENSES			
330	Metropolitan Police-----	(240, 000)	(\$240, 000)	-----
	Department of Public Health:			
330	Medical charities-----	(150, 000)	(130, 000)	(-20, 000)
330	Freedmen's Hospital (1954)-----	(137, 489)	(137, 489)	-----
	Public Welfare:			
352	Public assistance grants-----	(250, 000)	(250, 000)	-----
330	National Training School for Boys (1955)-----	(327, 000)	(327, 000)	-----
330	Department of Highways-----	(393, 000)	(393, 000)	-----
330	Settlement of claims and suits-----	(44, 708)	(44, 708)	-----
330	Judgments-----	(18, 728)	(18, 728)	-----
330	Audited claims-----	(85, 785)	(85, 785)	-----
	Total, Federal funds (Chapter XI)-----	2, 000, 000	-----	-2, 000, 000
	Total, District of Columbia funds-----	(1, 646, 710)	(1, 626, 710)	(-20, 000)

## CHAPTER XII

### SUBCOMMITTEE

**W. F. NORRELL, Arkansas, *Chairman***

MICHAEL J. KIRWAN, Ohio  
JOHN J. ROONEY, New York

WALT HORAN, Washington  
FRANK T. BOW, Ohio

### LEGISLATIVE BRANCH

This chapter carries funds for the usual gratuity payment to the beneficiary of a deceased member of the House of Representatives.

It also includes supplemental funds for various contingent expenses of the House which are necessary to finance these activities for the balance of the fiscal year.

The additional amount for the Capitol Police is provided to better equip and strengthen the protective services at the Capitol.

Pursuant to customary practice, supplemental estimates pertaining to the Senate are left for determination by that body.

Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in bill	Bill compared with estimates
-----	HOUSE OF REPRESENTATIVES	-----		
	Gratuity payment to beneficiary of deceased Member	-----	\$22, 500	+\$22, 500
	CONTINGENT EXPENSES OF THE HOUSE			
338	Special and select committees	\$400, 000	300, 000	-100, 000
338	Stationery (Revolving fund)	100	100	-----
338	Attending physician's office	1, 000	1, 000	-----
338	Folding documents	15, 000	15, 000	-----
	CAPITOL POLICE			
338	General expenses	1, 700	1, 700	-----
	Total, Chapter XII	<sup>1</sup> 417, 800	340, 300	-77, 500

<sup>1</sup> Exclusive of Senate estimates totaling \$3,886,825.



## CHAPTER XIII

### CLAIMS, AUDITED CLAIMS, AND JUDGMENTS

The Committee recommends the full amount of \$1,614,562 contained in House Document Numbered 355 to cover claims for damages, audited claims, and judgments rendered against the United States. Of this amount, \$387,147 represents judgments of the Court of Claims and the United States district courts. The amount provided for claims is \$1,227,415.

## CHAPTER XIV

### INCREASED PAY COSTS

The various subcommittees considered estimates submitted in House Document 341, totaling \$274,791,771 (which excludes \$3,886,825 for Senate items), for increased civilian pay costs during fiscal year 1956 under several laws enacted in the last session of the Congress, namely, Public Laws 9, 68, 94, 139, 243, and 244, and Public Law 242 as to numerous base pay adjustments for employees of the House of Representatives for which specific budgetary provision was not made in the latter act.

Amounts recommended in this chapter of the bill for these purposes total \$274,635,771 which compares with the estimates as follows:

	Budget estimates	Committee allowance	Difference
Total (excluding Senate items)-----	\$274, 791, 771	\$274, 635, 771	—\$156, 000
Deduct amounts payable from District of Columbia funds----	—7, 864, 300	—7, 864, 300	-----
Payable from Federal funds (excluding Senate items)---	266, 927, 471	266, 771, 471	—156, 000

Total increased pay act costs for 1956 were estimated at \$521,075,848 of which it was proposed to absorb \$220,424,052, or about 42 percent, leaving \$300,651,796 as the additional amount currently requested. The latter sum includes estimates totaling \$21,973,200 submitted as part of numerous program supplemental items reported upon in other chapters of this report.

The bill includes, as section 1402, the general provision customarily included in pay act supplemental bills to waive, to the extent necessary on account of enactment of such pay acts, limitations and other provisions limiting or otherwise affecting or involving the payment of personal services.

## MINORITY VIEWS

The members of the subcommittee on Public Works, who sign this minority report, disagree with the action and vote of the majority on the request of the Tennessee Valley Authority for funds with which to build an additional generating unit at the John Sevier plant.

There were 4 possible answers to that request:

(1) To agree, and to appropriate \$3,500,000 in new money, to start construction on this unit. It must be understood this was only the request of the moment. The total needed is \$28,000,000.

The idea of voting new money to TVA was refused by the subcommittee. The Congress, in the past few years has refused, more than once, to appropriate new money for steam plants or additional units to existing steam plants.

It should be noted that there is still grave doubt, in the minds of able lawyers, and of Members of the Congress, whether there was actually any constitutional authority for the TVA to build steam plants at any time. Since this is a technical legal question, not to be discussed in this minority report, it should definitely be considered by the Congress with the thought of giving authority to take the question to the Supreme Court of the United States. Certainly no more money should be voted to the TVA to build steam plants or additional units, until the question is resolved.

(2) To take the money from its own funds, without further approval by the Congress, and build the additional unit, or any other structures in the future. This was the recommendation of the subcommittee's majority. We disagree. It is the line of reasoning expressed in the opinion rendered to the TVA Directors on September 10, 1955, by the TVA Counsel, Joseph C. Swidler, which, in our opinion, controverts itself. Counsel says, for example:

This language (meaning section 26 of the TVA Act of 1933, as amended) standing alone, is broad enough to authorize use of proceeds for construction of any type of power installations, including steam plants and single-purpose power dams as well as individual generating units and transmission facilities.

The catch words are, of course, "standing alone." The point is that section 26 of the TVA Act does not "stand alone." It must be read not only with the remainder of the Act but also with all other Congressional actions (particularly those subsequent to its passage) or limitations thereto.

The citations given by Mr. Swidler, to support his opinion, refer, without exception, to the use of power proceeds by TVA prior to the passage of limitations on such use. We refer particularly to Section 104 of the Government Corporations Control Act, which was passed in 1945 and to which a limitation was added in 1948, reading as follows:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by Act of Congress.



Nothing could be clearer, to us, as to the intent of the Congress. However, Counsel for TVA offers this interesting interpretation: (Says Mr. Swidler):

In thus prohibiting the use of revenues for construction of "new power producing projects" without prior Congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities.

We challenge the use of the word "clearly". To us, the language is a definite prohibition, and if it is to be reinterpreted for the benefit of the TVA, this should not be by TVA's own Counsel alone, but either by the Congress or the Courts, or perhaps by both, as we have indicated above.

This opinion and interpretation have already been challenged in the Congress, in part by Members sympathetic to the Tennessee Valley Authority. We suggest the reading of the Congressional Record of July 13, 1955, at pages 8938 and 8939; also of the Record of July 14, 1955, at pages 10005 and 10009, and of the Record of August 2, 1955, at page 11254.

It would be well, in view of the present request for new money, and the ensuing discussion, for all Members of Congress to reread the testimony of the then-TVA Directors in 1935, in which the witnesses testified to the intent of TVA policy and their own opinions as to TVA's obligations. For example, Mr. David Lilienthal testified, regarding the way TVA would set the power rates:

These rates are based on certain principles, and the first principle is that the consumers of electricity must pay all the operating cost of furnishing that electricity, without any contribution whatever from taxpayers.

Second, that consumers of electricity, the people who pay the rates, shall pay taxes, through the rates, which, of course, is the way all utility operations pay taxes equivalent to the national average of taxes, local, State, and Federal, paid by private-owned utilities. Municipalities which purchase power from the Tennessee Valley Authority plant at the Wilson Dam and resell it in turn, at retail to their citizens also pay taxes, as required by their contract with the Authority, and those taxes are also equivalent to the amount a private utility would pay, a private utility in that community.

Third, depreciation and amortization are provided for, both by TVA and by the municipalities. As to TVA, the rates charged include a margin to offset depreciation from year to year, so that in the course of years there is a reserve adequate to rebuild the plant as a new plant; and there is also a surplus which, if Congress so desires, can be used to pay back into the Treasury not only the present value of this depreciated wartime property, but also every penny of the original investment put into the property in order to defend this country against its enemies.

Fourth: Interest is charged.

Dr. A. E. Morgan, the first TVA chairman, expressed his opinion of TVA power operations and rates in these words:

They must be fair, with no special arbitrary advantage; they must pay taxes, just as private utility companies must do, and every other reasonable charge if they are to provide us with a fair comparison.

He refers of course to the "yardstick" theory, so often advanced by TVA and its supporters. We hardly need add that any resemblance of present TVA policies, including the current request for an appropriation to build the John Sevier unit, to the original testimonies on the basis of which the TVA Act was passed, is entirely coincidental!



(3) To permit the TVA to issue its own revenue bonds, to cover the \$28,000,000 it estimates it needs for this unit. Whatever icing may be spread over this proposal, it means essentially that these bonds, directly or indirectly, now or in the future, will be obligations of the United States Government, just as surely as if we had approved the original request for new money and then gone out and secured that money by borrowing it (with interest) or by taxing the people of the 48 States for it. This has been so often refused in recent years by the Congress that to propose it now, somewhat disguised, seems to us to be completely out of order.

Whether or not the TVA shall be permitted to set itself up as an independent agency, or utility, furnishing power in a designated area, paying local, State and equivalent Federal taxes and interest, underwriting its operations from its own income, adjusting its rates to meet its needs under such incorporation, borrowing money to expand or replace its facilities, is a matter now before the proper legislative committees in this Congress. Certainly, if the TVA is to be given the right to its independence and to operate as any power utility operates, then it might properly have the authority to issue bonds. In that case however, they would not be bonds of the United States, adding to our already topheavy national debt: they would be bonds of a utility corporation, not of the autocratic power empire envisioned in the opinion of the TVA counsel and other TVA proponents. Such bonds would be sold to the public, as the bonds of any power utility are marketed. This is a reasonable suggestion; any idea that we should permit the TVA, an agency of our United States Government, to issue revenue bonds which would become contingent obligations of the United States is unthinkable.

If the TVA desires independence, let it separate its power functions from its other functions, if necessary, and then issue bonds for its entire power construction debt in the past. It would, by such a bond issue, with repayments determined, and on which it would pay interest, assume the financial responsibility for all money already advanced by the Treasury (or in other words by the taxpayers, the great majority of whom in no way benefit from this expenditure); pay normal interest thereon, and secure complete independence, with the pride and integrity which accompanies independence.

The responsibility to recommend that such authority be given the TVA lies with a legislative committee, not with the Committee on Appropriations.

(4) The proper choice, in our opinion, is to follow the course already adopted by Memphis, the first of the captive municipalities to take itself out from under TVA bondage. This statement is made advisedly; under TVA contracts, no other power may be bought in its area, nor can a distributor provide power from its own or any other source, without TVA permission. Even the rates charged its customers, by the distributors of TVA power, may be set only with the approval of the TVA. Memphis has proved that this choice is feasible; it should be followed by other distributors in the TVA area.

The request of the TVA, for money to build an additional unit at the John Sevier plant, should simply be denied.

It must be understood that this in no way denies TVA any power for legitimate uses. The United States has first call on its power for its needs. TVA can, in case of emergency, secure power from the

surrounding utilities, all of which are now tied in with the TVA grid. The TVA has bought such power in the past.

Actually, the immediate request is for a unit which would produce approximately 180,000 kilowatts of power. One private industry in Tennessee alone is currently asking for 235,000 kilowatts, for expansion, yet this industry, by name, announced through the press 3 months ago, that it intended and was fully prepared to build a plant for itself to supply the needed power. It was "enticed" (to quote the newspaper reports) to change its plans and expand in the TVA area, with the Federal Government expected to pay for the plant for added power.

Certainly, whatever else may be argued about the intent of Congress in 1933, there must be unanimous agreement that Congress never contemplated an authorization to entice industries into the TVA area, by offering power, sold at subsidized rates, and produced in steam plants. TVA itself, in the answer filed in the 18 company suit, January 8, 1937, implied it had no such authority and denied any such intent.

None of the requested additional power, therefore is to be used for national defense, nor for the needs of the Federal Government; this is an effort to draw industries into the TVA area, at the expense of the taxpayers of the other States where local, State and Federal taxes are paid on power revenues.

We believe the request should be denied by the Congress.

GLENN R. DAVIS.

BEN F. JENSEN.

JOHN PHILLIPS.

T. MILLET HAND.

JOHN TABER.





Union Calendar No. 669

84TH CONGRESS  
2D SESSION

# H. R. 10004

[Report No. 1897]

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 15, 1956

Mr. CANNON, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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## A BILL

Making supplemental appropriations for the fiscal year ending  
June 30, 1956, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the following sums are appropriated, out of any money  
4       in the Treasury not otherwise appropriated, to supply sup-  
5       plemental appropriations (this Act may be cited as the  
6       “Second Supplemental Appropriation Act, 1956”) for the  
7       fiscal year ending June 30, 1956, and for other purposes,  
8       namely:



## CHAPTER I

## DEPARTMENT OF AGRICULTURE

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:

"Research", \$1,217,530;

"Plant and animal disease and pest control", \$1,527,780, of which \$500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e), and the Act of August 13, 1954, (7 U. S. C. 148), to the extent necessary to meet emergency conditions; and

"Meat inspection", \$1,048,690.

## AGRICULTURAL CONSERVATION PROGRAM SERVICE

The unobligated balance of the amount made available under this head in the Supplemental Appropriation Act, 1956, shall, subject to the same conditions, remain available until December 31, 1956, for the same purposes, for emergency measures to restore farm lands damaged by hurricanes and excessive floods, and for reimbursement to the appropriation to the President for "Disaster relief", for allocations to the Secretary of Agriculture for such purposes.

## FARMERS' HOME ADMINISTRATION

## LOAN AUTHORIZATIONS

For loans under title V of the Housing Act of 1949, as amended, \$5,000,000, to remain available until expended: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in the manner authorized under this head in the Department of Agriculture Appropriation Act, 1952.

## SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$1,350,000.

## COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, on the amount available for administrative expenses of the Corporation, is increased from "\$26,000,000" to "\$30,500,000."

## CHAPTER II

## DEPARTMENT OF COMMERCE

## BUREAU OF THE CENSUS

## SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$503,000, of which \$75,000 shall be derived by transfer from the appropriation granted in the Department of Com-

1 merce and Related Agencies Appropriation Act, 1956, for  
2 "Census of agriculture".

3 MARITIME ACTIVITIES

4 SHIP CONSTRUCTION

5 The limitation under this head in the Department of  
6 Commerce and Related Agencies Appropriation Act, 1956,  
7 on the number of cargo ships for replacement, for which  
8 payment may be made for construction-differential subsidy  
9 and national-defense features, is increased from five to twenty.

10 OPERATING-DIFFERENTIAL SUBSIDIES

11 For an additional amount for "Operating-differential  
12 subsidies", \$30,000,000, to remain available until expended.

13 BUREAU OF PUBLIC ROADS

14 FEDERAL-AID HIGHWAYS

15 For an additional amount for "Federal-aid highways",  
16 to remain available until expended, \$100,000,000, which  
17 sum is a part of the amount authorized to be appropriated  
18 for the fiscal year 1955.

19 FOREST HIGHWAYS

20 For an additional amount for "Forest highways", to  
21 remain available until expended, \$3,000,000, which sum is  
22 a part of the amount authorized to be appropriated for the  
23 fiscal year 1956.

## 1 NATIONAL BUREAU OF STANDARDS

## 2 PLANT AND EQUIPMENT

3 Not to exceed \$15,000 of the appropriation granted  
4 under this head in the Department of Commerce and Related  
5 Agencies Appropriation Act, 1956, shall be available for  
6 necessary expenses for the acquisition of land necessary for  
7 the operation of a radio propagation field station in the  
8 Territory of Hawaii.

## 9 CHAPTER III

## 10 DEPARTMENT OF DEFENSE—MILITARY

## 11 FUNCTIONS

## 12 DEPARTMENT OF THE NAVY

## 13 AUDITED CLAIMS

14 Applicable current appropriations of the Department  
15 of the Navy shall be available for the payment of claims  
16 certified by the Comptroller General to be otherwise due,  
17 in the amounts stated below, from the following appro-  
18 priations:

19 “Pay, subsistence, and transportation, Navy”, fiscal  
20 year 1943, \$7,070.23;

21 “Transportation of things, Navy”, fiscal year 1948,  
22 \$1,108.12;



1           “Maintenance, Bureau of Supplies and Accounts,  
2       Navy”, fiscal year 1943, \$1,316.35; and

3           “Maintenance, Bureau of Ships, Navy”, fiscal year  
4       1946, \$91,292.69.

## 5                               CHAPTER IV

### 6                       GENERAL GOVERNMENT MATTERS

#### 7           AMERICAN BATTLE MONUMENTS COMMISSION

##### 8               DEDICATION OF WORLD WAR II MEMORIALS

9       For expenses necessary for appropriate dedications of  
10   World War II memorials, erected under the authority of  
11   the Act of June 26, 1946 (36 U. S. C. 123), to be avail-  
12   able for such purposes as the Commission may deem neces-  
13   sary and proper and without regard to the provisions of  
14   other laws or regulations relating to the expenditure of  
15   public funds (except that this exemption shall not be con-  
16   strued as waiving the requirement for the submission of  
17   accounts and vouchers to the General Accounting Office  
18   for audit), \$140,000, to remain available until June 30,  
19   1957: *Provided*, That, when in the discretion of any other  
20   government agency it would be in the public interest, per-  
21   sonnel, services, supplies, equipment, and facilities of such  
22   agency may be furnished without reimbursement to the  
23   Commission for the purposes of this appropriation.

## COMMISSION ON GOVERNMENT SECURITY

## SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$200,000, and said appropriation shall remain available until March 31, 1957.

## CORREGIDOR BATAAN MEMORIAL COMMISSION

## SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Act of August 5, 1953, as amended (67 Stat. 366 and 69 Stat. 589), \$56,000, to remain available through June 30, 1957.

## CHAPTER V

## INDEPENDENT OFFICES

## CIVIL SERVICE COMMISSION

## SALARIES AND EXPENSES

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$443,000" to "\$488,000", and the limitation under said head on the amount available for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767), is increased from "\$65,000" to "\$70,000".

1 INVESTIGATIONS OF UNITED STATES CITIZENS FOR EMPLOY-  
2 MENT BY INTERNATIONAL ORGANIZATIONS

3 For an additional amount for "Investigations of United  
4 States citizens for employment by international organiza-  
5 tions", \$107,100.

6 ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES  
7 AND LIGHTHOUSE SERVICE WIDOWS

8 For an additional amount for "Annuities, Panama Canal  
9 construction employees and Lighthouse Service widows",  
10 \$70,000.

11 ADMINISTRATIVE EXPENSES, EMPLOYEES' LIFE INSURANCE  
12 FUND

13 The limitation under this head in the Independent  
14 Offices Appropriation Act, 1956, on the amount made avail-  
15 able from the "Employees' life insurance fund" for reim-  
16 bursement to the Civil Service Commission for administrative  
17 expenses incurred in the administration of the Federal  
18 Employees' Group Life Insurance Act, is increased from  
19 "\$80,000" to "\$100,000".

20 FEDERAL COMMUNICATIONS COMMISSION

21 SALARIES AND EXPENSES

22 The limitation under this head in the Independent  
23 Offices Appropriation Act, 1956, on the amount available

1 for expenses of travel, is increased from “\$65,000” to  
2 “\$94,000”.

### 3 FEDERAL HOME LOAN BANK BOARD

4 The amount made available in title II of the Independ-  
5 ent Offices Appropriation Act, 1956, for administrative ex-  
6 penses of the Home Loan Bank Board is increased from  
7 “\$920,000” to “\$978,400”, and the amount made available  
8 to said Board for nonadministrative expenses, is increased  
9 from “\$2,995,000” to “\$3,338,800”.

### 10 FEDERAL TRADE COMMISSION

#### 11 SALARIES AND EXPENSES

12 The limitation under this head in the Independent Offices  
13 Appropriation Act, 1956, on the amount available for ex-  
14 penses of travel, is increased from “\$160,000” to “\$175,000”.

### 15 GENERAL ACCOUNTING OFFICE

16 The provisions of section 102 of the Independent Offices  
17 Appropriation Act, 1956, shall not apply to travel performed  
18 by employees of the General Accounting Office.

### 19 GENERAL SERVICES ADMINISTRATION

#### 20 OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

21 For an additional amount for “Operating expenses, Pub-  
22 lic Buildings Service”, \$4,685,000; and the limitation under  
23 this head in the Independent Offices Appropriation Act,



1 1956, on the amount available for expenses of travel, is in-  
 2 creased from “\$163,500” to “\$185,600”.

3 REFUNDS UNDER RENEGOTIATION ACT

4 For an additional amount for “Refunds under Renego-  
 5 tiation Act”, \$4,000,000, to remain available until expended.

6 INCREASED TRAVEL LIMITATIONS

7 Limitations imposed by the Independent Offices Appro-  
 8 priation Act, 1956, as amended by the Supplemental Ap-  
 9 propriation Act, 1956, on amounts available for travel ex-  
 10 penses under the following appropriations are increased as  
 11 follows:

12 “Emergency operating expenses” from “\$13,400”  
 13 to “\$15,300”;

14 “Repair, improvement, and equipment” from  
 15 “\$155,000” to “\$178,250”;

16 “Operating expenses, Federal Supply Service” from  
 17 “\$59,750” to “\$68,100”; and

18 “Operating expenses, National Archives and Rec-  
 19 ords Service” from “\$30,750” to “\$34,750”.

20 HOUSING AND HOME FINANCE AGENCY

21 OFFICE OF THE ADMINISTRATOR, SALARIES AND EXPENSES

22 For an additional amount for “Salaries and expenses”,  
 23 \$398,500; and the limitation under this head in the Inde-  
 24 pendent Offices Appropriation Act, 1956, on the amount  
 25 available for expenses of travel, is increased from “\$263,-

1 700" to "\$304,860": *Provided*, That the limitation under  
2 this head on the amount available for certain nonadministra-  
3 tive expenses, is increased from "\$700,000" to "\$743,000".

4 OFFICE OF THE ADMINISTRATOR, HOUSING LOANS TO  
5 EDUCATIONAL INSTITUTIONS

6 The amount made available under this head in title II  
7 of the Independent Offices Appropriation Act, 1956, for ad-  
8 ministrative expenses, is increased from "\$500,000"  
9 to "\$706,300", and the limitation thereunder on the amount  
10 available for expenses of travel, is increased from "\$19,000"  
11 to "\$30,400".

12 OFFICE OF THE ADMINISTRATOR, REVOLVING FUND (LIQUIDATING PROGRAMS)

14 The amount made available under this head in title II  
15 of the Independent Offices Appropriation Act, 1956, for  
16 administrative expenses, is increased from "\$2,600,000" to  
17 "\$2,788,000", and the limitation thereunder on the amount  
18 available for expenses of travel, is increased from "\$183,200"  
19 to "\$213,200".

20 FEDERAL NATIONAL MORTGAGE ASSOCIATION

21 The limitation under this head in title II of the Inde-  
22 pendent Offices Appropriation Act, 1956, on the amount  
23 available for expenses of travel, is increased from "\$90,000"  
24 to "\$130,000".

## FEDERAL HOUSING ADMINISTRATION

The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from “\$5,900,000” to “\$6,692,500”, and the limitation thereunder on the amount available for expenses of travel, is increased from “\$300,000” to “\$367,500”: *Provided*, That the limitation under said head on the amount available for certain nonadministrative expenses of said Administration, is increased from “\$33,000,000” to “\$35,050,000”.

## HOUSING INVESTMENT INSURANCE FUND

The unexpended balance of funds appropriated to the Treasury Department under the head “Office of the Secretary, Housing Investment Insurance Fund”, in the Supplemental Appropriation Act, 1949, is rescinded and shall be covered into the Treasury upon approval of this Act.

## PUBLIC HOUSING ADMINISTRATION

## ADMINISTRATIVE EXPENSES

For an additional amount for “Administrative expenses”, \$1,436, 500.

The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from “\$8,200,000” to “\$9,636,500”, and shall be available for uniforms, or allowances therefor, as authorized by the Act of September 1,



1 1954, as amended (5 U. S. C. 2131) ; and the limitation  
2 thereunder on the amount available for expenses of travel,  
3 is increased from “\$530,000” to “\$682,000”.

4 INTERSTATE COMMERCE COMMISSION

5 GENERAL EXPENSES

6 The limitation under this head in the Independent Offices  
7 Appropriation Act, 1956, on the amount available for ex-  
8 penses of travel, is increased from “\$330,000” to “\$397,000”.

9 RAILROAD SAFETY

10 The limitation under this head in the Independent Offices  
11 Appropriation Act, 1956, on the amount available for ex-  
12 penses of travel, is increased from “\$163,050” to “\$176,000”.

13 LOCOMOTIVE INSPECTION

14 The limitation under this head in the Independent Offices  
15 Appropriation Act, 1956, on the amount available for ex-  
16 penses of travel, is increased from “\$112,620” to “\$124,000”.

17 NATIONAL SCIENCE FOUNDATION

18 INTERNATIONAL GEOPHYSICAL YEAR

19 For an additional amount for “International Geophysical  
20 Year”, \$26,000,000, to remain available until June 30,  
21 1960.

22 SECURITIES AND EXCHANGE COMMISSION

23 SALARIES AND EXPENSES

24 The limitation under this head in the Independent Offices



1 Appropriation Act, 1956, on the amount available for  
2 expenses of travel, is increased from "\$132,000" to  
3 "\$157,500".

#### 4 VETERANS ADMINISTRATION

##### 5 INPATIENT CARE

6 The limitation under this head in the Independent Offices  
7 Appropriation Act, 1956, on the amount available for  
8 expenses of travel of employees, is increased from "\$246,-  
9 000" to "\$357,700": *Provided*, That, notwithstanding the  
10 last proviso under this head in the Independent Offices  
11 Appropriation Act, 1956, inpatient care and treatment may  
12 be furnished to an average of 130,309 beneficiaries (exclud-  
13 ing members in State or Territorial homes) during the  
14 current fiscal year without any proportionate reduction in  
15 expenditures.

##### 16 OUTPATIENT CARE

17 For an additional amount for "Outpatient care",  
18 \$3,882,200; and the limitation under this head in the Inde-  
19 pendent Offices Appropriation Act, 1956, on the amount  
20 available for expenses of travel of employees, is increased  
21 from "\$170,000" to "\$208,000".

##### 22 COMPENSATION AND PENSIONS

23 For an additional amount for "Compensation and pen-  
24 sions", \$10,000,000, to remain available until expended.

## 1 READJUSTMENT BENEFITS

2 For an additional amount for "Readjustment benefits",  
3 \$185,000,000, to remain available until expended.

## 4 INCREASED TRAVEL LIMITATIONS

5 Limitations imposed by the Independent Offices Appro-  
6 priation Act, 1956, on amounts available for travel expenses  
7 under the following appropriations are increased as follows:

8 "General operating expenses" from "\$2,731,000"  
9 to "\$2,891,550";

10 "Medical administration and miscellaneous operating  
11 expenses" from "\$751,800" to "\$824,950"; and

12 "Maintenance and operation of supply depots" from  
13 "\$2,500" to "\$2,880".

## 14 CHAPTER VI

## 15 DEPARTMENT OF THE INTERIOR

## 16 OFFICE OF THE SECRETARY

## 17 RESEARCH IN THE UTILIZATION OF SALINE WATER

18 For an additional amount for "Research in the utilization  
19 of saline water", \$200,000.

## 20 BUREAU OF LAND MANAGEMENT

## 21 MANAGEMENT OF LANDS AND RESOURCES

22 For an additional amount for "Management of lands and  
23 resources", \$800,000.

## 1 BUREAU OF INDIAN AFFAIRS

## 2 EDUCATION AND WELFARE SERVICES

3 For an additional amount for "Education and welfare  
4 services", \$1,871,000.

## 5 GEOLOGICAL SURVEY

## 6 SURVEYS, INVESTIGATIONS, AND RESEARCH

7 For an additional amount for "Surveys, investigations,  
8 and research", \$1,650,000.

## 9 NATIONAL PARK SERVICE

## 10 CONSTRUCTION

11 For an additional amount for "Construction", \$3,000,-  
12 000, to remain available until expended.

## 13 FISH AND WILDLIFE SERVICE

## 14 FEDERAL AID IN WILDLIFE RESTORATION

15 For "Federal aid in wildlife restoration", an amount  
16 equal to 20 per centum of the accumulated unappropriated  
17 receipts in the "Federal aid to wildlife restoration fund"  
18 on August 12, 1955, and a like amount for each of the four  
19 next succeeding fiscal years, to be derived from said fund  
20 pursuant to the provisions of the Act of August 12, 1955  
21 (69 Stat. 698) : *Provided*, That the annual apportionments  
22 to the Territories of Alaska and Hawaii, and to Puerto  
23 Rico and the Virgin Islands authorized by section 8a of  
24 the Act of September 2, 1937 (16 U. S. C. 669g-1), as  
25 amended, may be increased by not to exceed 20 per centum.

## OFFICE OF TERRITORIES

## ADMINISTRATION OF TERRITORIES

For an additional amount for "Administration of Territories", \$60,000.

## DEPARTMENT OF AGRICULTURE

## FOREST SERVICE

## SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:

"National forest protection and management", \$2,178,500;

"Fighting forest fires", \$5,250,000;

"Control of forest pests", \$30,000; and

"Forest research", \$455,000.

## CHAPTER VII

## DEPARTMENT OF HEALTH, EDUCATION, AND

## WELFARE

## OFFICE OF EDUCATION

## PAYMENTS TO SCHOOL DISTRICTS

For an additional amount for "Payments to school districts", \$25,000,000.

## ASSISTANCE FOR SCHOOL CONSTRUCTION

For an additional amount for "Assistance for school construction", including carrying out the provisions of the



1 Act of August 12, 1955 (Public Law 382), \$9,900,000,  
2 to remain available until expended.

3 PUBLIC HEALTH SERVICE

4 GRANTS TO STATES FOR POLIOMYELITIS VACCINATION

5 For an additional amount for "Grants to States for  
6 poliomyelitis vaccination", \$27,800,000, and such amount  
7 together with amounts previously appropriated under this  
8 head shall remain available until June 30, 1957.

9 CONSTRUCTION OF RESEARCH FACILITIES

10 For construction of a laboratory building for the bio-  
11 logics standards activities of the National Institutes of  
12 Health, and for expansion of and additional equipment for  
13 the boiler plant, including the preparation of plans, super-  
14 vision, and fixed equipment, to remain available until ex-  
15 pended, \$3,190,000, together with not to exceed \$310,000  
16 of the unobligated balance of funds previously appropriated  
17 under this head.

18 SOCIAL SECURITY ADMINISTRATION

19 GRANTS TO STATES FOR PUBLIC ASSISTANCE

20 For an additional amount for "Grants to States for  
21 public assistance", \$47,000,000.

22 NATIONAL LABOR RELATIONS BOARD

23 SALARIES AND EXPENSES

24 For an additional amount for "Salaries and expenses,"  
25 \$800,000.

## 1 RAILROAD RETIREMENT BOARD

2 SALARIES AND EXPENSES, RAILROAD RETIREMENT BOARD

3 (TRUST FUND)

4 For an additional amount for "Salaries and expenses,  
5 Railroad Retirement Board (trust fund)," \$548,000, to be  
6 derived from the railroad retirement account.

## 7 CHAPTER VIII

## 8 PUBLIC WORKS

## 9 DEPARTMENT OF THE INTERIOR

## 10 OFFICE OF THE SECRETARY

11 OPERATION AND MAINTENANCE, SOUTHEASTERN

12 POWER ADMINISTRATION

13 For an additional amount for "Operation and main-  
14 tenance, Southeastern Power Administration", \$235,000.

## 15 DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

16 RIVERS AND HARBORS AND FLOOD CONTROL

17 Operation and Maintenance, General

18 For an additional amount for "Operation and main-  
19 tenance, general", to remain available until expended,  
20 \$15,350,000, of which \$15,000,000 shall be available for  
21 carrying out the provisions of the Act of June 28, 1955  
22 (Public Law 99).

## 1 CHAPTER IX

## 2 DEPARTMENT OF STATE

3 PAYMENT TO FOREIGN SERVICE RETIREMENT AND  
4 DISABILITY FUND

5 For payment to the Foreign Service retirement and  
6 disability fund as authorized by the Foreign Service Act of  
7 1946 (22 U. S. C. 1061-1116), \$1,236,000.

8 EXTENSION AND REMODELING, STATE DEPARTMENT  
9 BUILDING

10 For an additional amount for "Extension and remodeling,  
11 State Department Building", to remain available until  
12 expended, \$800,000, to be transferred to the General Serv-  
13 ices Administration.

## 14 CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

15 For an additional amount for "Contributions to inter-  
16 national organizations", \$349,790.

## 17 DEPARTMENT OF JUSTICE

## 18 LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

## 19 SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

20 For an additional amount for "Salaries and expenses,  
21 general legal activities", \$500,000.

## 22 SALARIES AND EXPENSES, ANTITRUST DIVISION

23 For an additional amount for "Salaries and expenses,  
24 Antitrust Division", \$364,000.

## 1 FEES AND EXPENSES OF WITNESSES

2 For an additional amount for "Fees and expenses of  
3 witnesses", \$100,000.

4 SALARIES AND EXPENSES, CLAIMS OF PERSONS OF  
5 JAPANESE ANCESTRY

6 For an additional amount for "Salaries and expenses,  
7 claims of persons of Japanese ancestry", \$600,000.

## 8 THE JUDICIARY

## 9 SUPREME COURT OF THE UNITED STATES

## 10 MISCELLANEOUS EXPENSES

11 For an additional amount for "Miscellaneous expenses",  
12 \$900.

## 13 COURTS OF APPEALS, DISTRICT COURTS, AND OTHER

## 14 JUDICIAL SERVICES

## 15 TRAVEL AND MISCELLANEOUS EXPENSES

16 For an additional amount for "Travel and miscellaneous  
17 expenses", \$225,000, to be derived by transfer from the  
18 appropriation "Fees of jurors and commissioners", fiscal  
19 year 1956.

## 20 SALARIES OF REFEREES

21 For an additional amount for "Salaries of referees",  
22 \$6,375, to be derived from the referees' salary fund estab-  
23 lished in pursuance of the Act of June 28, 1946, as amended  
24 (11 U. S. C. 68).



1                   EXPENSES OF REFEREES

2       For an additional amount for "Expenses of referees",  
3 \$111,500, to be derived from the referees' expense fund  
4 established in pursuance of the Act of June 28, 1946, as  
5 amended (11 U. S. C. 68 (c) (4)).

6                   CHAPTER X

7                   TREASURY DEPARTMENT

8                   BUREAU OF ACCOUNTS

9                   SALARIES AND EXPENSES

10       For an additional amount for "Salaries and expenses",  
11 \$163,000.

12                   COAST GUARD

13                   RESERVE TRAINING

14       For an additional amount for "Reserve training",  
15 \$868,000, to be derived by transfer from the appropriation  
16 "Acquisition, construction, and improvements".

17       For an additional amount for "Reserve training", 1957,  
18 \$3,500,000.

19                   THE TAX COURT OF THE UNITED STATES

20                   SALARIES AND EXPENSES

21       For an additional amount for "Salaries and expenses",  
22 \$87,000.

## CHAPTER XI

## DISTRICT OF COLUMBIA

## OPERATING EXPENSES

## METROPOLITAN POLICE

For an additional amount for "Metropolitan Police", \$240,000 of which \$36,000 shall be payable from the highway fund of the District of Columbia, as defined in the District of Columbia Appropriation Act, 1956.

## DEPARTMENT OF PUBLIC HEALTH

For an additional amount for "Department of Public Health," \$130,000.

For an additional amount, fiscal year 1954, for "Freedmen's Hospital", \$137,489.

## PUBLIC WELFARE

For an additional amount for "Department of Public Welfare", \$250,000.

For an additional amount, fiscal year 1955, for "Department of Public Welfare", \$327,000.

## DEPARTMENT OF HIGHWAYS

For an additional amount for "Department of Highways", \$393,000.

## SETTLEMENT OF CLAIMS AND SUITS

For the payment of claims in excess of \$250, approved by the Commissioners in accordance with the provisions of

1 the Act of February 11, 1929, as amended (45 Stat. 1160;  
2 46 Stat. 500; 65 Stat. 131), \$44,708.

3 JUDGMENTS

4 For the payment of final judgments rendered against the  
5 District of Columbia, as set forth in House Document Num-  
6 bered 330 (Eighty-fourth Congress), \$18,728, together with  
7 such further sums as may be necessary to pay the interest  
8 at not exceeding 4 per centum per annum on such judgments,  
9 as provided by law, from the date the same become due until  
10 the date of payment.

11 AUDITED CLAIMS

12 For an additional amount for the payment of claims, cer-  
13 tified to be due by the accounting officers of the District of  
14 Columbia, under appropriations the balances of which have  
15 been exhausted or credited to the general fund of the District  
16 of Columbia as provided by law (D. C. Code, title 47, sec.  
17 130a), being for the service of the fiscal year 1953 and prior  
18 fiscal years, as set forth in House Document Numbered 330  
19 (Eighty-fourth Congress), \$85,785, together with such  
20 further sums as may be necessary to pay the interest on  
21 audited claims for refunds at not exceeding 4 per centum per  
22 annum as provided by law (Act of July 10, 1952, 66 Stat.  
23 546, sec. 14d).

## DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Acts for the fiscal years involved.

## CHAPTER XII

## LEGISLATIVE BRANCH

## HOUSE OF REPRESENTATIVES

For payment to Ella Stegen Reed, widow of Chauncey W. Reed, late a Representative from the State of Illinois, \$22,500.

## CONTINGENT EXPENSES OF THE HOUSE

## SPECIAL AND SELECT COMMITTEES

For an additional amount for "Special and select committees", \$300,000.

## STATIONERY (REVOLVING FUND)

For an additional amount for "Stationery (revolving fund)", first session, Eighty-fourth Congress, \$100, to remain available until expended.

## ATTENDING PHYSICIAN'S OFFICE

For an additional amount for "Attending physician's office", \$1,000.



## FOLDING DOCUMENTS

For an additional amount for "Folding documents",  
\$15,000.

## CAPITOL POLICE

## GENERAL EXPENSES

For an additional amount for "General expenses",  
\$1,700.

## CHAPTER XIII

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND  
JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in House Document Numbered 355, Eighty-fourth Congress, \$1,614,562, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against

1 the United States by failure of the parties to appeal or other-  
2 wise: *Provided further*, That, unless otherwise specifically  
3 required by law or by the judgment, payment of interest  
4 wherever appropriated for herein shall not continue for more  
5 than thirty days after the date of approval of this Act.

## 6 CHAPTER XIV

### 7 INCREASED PAY COSTS

8 For additional amounts for appropriations for the fiscal  
9 year 1956, for increased pay costs authorized by the Act  
10 of March 2, 1955 (Public Law 9), the Act of June 10,  
11 1955 (Public Law 68), the Act of June 28, 1955 (Public  
12 Law 94), the Act of July 11, 1955 (Public Law 139),  
13 the Act of August 5, 1955 (Public Law 242), the Act of  
14 August 5, 1955 (Public Law 243), and the Act of August  
15 5, 1955 (Public Law 244), as follows:

#### 16 LEGISLATIVE BRANCH

##### 17 House of Representatives:

18 "Salaries, officers and employees", \$681,345;

19 "Members' clerk hire", \$3,100,000;

##### 20 Contingent expenses of the House:

21 "Furniture", \$9,300;

22 "Special and select committees", \$150,000;

23 "Joint Committee on Internal Revenue Taxa-  
24 tion", \$20,000;

1                   “Office of the Coordinator of Information”,

2                   \$4,160;

3                   “Attending physician’s office”, \$2,160;

4                   “Folding documents”, \$40,000;

5                   “Revision of laws”, \$2,800;

6                   “Speaker’s automobile”, \$700;

7                   “Automobile for the Majority Leader”, \$665;

8                   “Automobile for the Minority Leader”, \$665;

9           Capitol police: “Capitol Police Board”, \$6,810;

10           “Office of the Legislative Counsel”, \$38,000 of which  
11 \$12,000 shall be disbursed by the Secretary of the Senate  
12 and \$26,000 shall be disbursed by the Clerk of the House  
13 of Representatives;

14           “Education of Senate and House pages”, \$1,450;

15           Architect of the Capitol: Office of the Architect of the  
16 Capitol: “Salaries”, \$6,000;

17           Botanic Garden: “Salaries and expenses”, \$2,000;

18           Library of Congress:

19                   “Salaries and expenses”, \$283,064;

20                   Copyright Office: “Salaries and expenses”, \$80,415;

21                   Legislative reference service: “Salaries and ex-  
22 penses”, \$70,055;

23                   Distribution of catalog cards: “Salaries and ex-  
24 penses”, \$52,359;

1           “Books for the blind”, \$6,678;

2           Government Printing Office: Office of Superintendent of  
3 Documents: “Salaries and expenses”, \$87,270;

4                           THE JUDICIARY

5           Supreme Court of the United States: “Salaries”, \$9,000;

6           Customs Court: “Salaries and expenses”, \$12,500;

7           Courts of appeals, district courts, and other judicial  
8 services:

9           “Salaries of supporting personnel”, \$825,000;

10          “Administrative Office of the United States Courts”,  
11 \$36,500;

12                       EXECUTIVE OFFICE OF THE PRESIDENT

13          “Executive Mansion and grounds”, \$17,575;

14          Bureau of the Budget: “Salaries and expenses”,  
15 \$210,000;

16          Council of Economic Advisers: “Salaries and expenses”,  
17 \$4,000;

18          National Security Council: “Salaries and expenses”,  
19 \$4,000;

20          Office of Defense Mobilization: “Salaries and expenses”,  
21 \$50,000;

22          President’s Commission on Veterans’ Pensions: “Sal-  
23 aries and expenses”, \$12,000;



## 1 FUNDS APPROPRIATED TO THE PRESIDENT

2 "Refugee relief" (decrease the amount of the limitation  
3 under this head in the Departments of State and Justice, the  
4 Judiciary, and Related Agencies Appropriation Act, 1956,  
5 on capital for making loans from "\$2,000,000" to "\$1,-  
6 685,655") ;

## 7 INDEPENDENT OFFICES

8 American Battle Monuments Commission: "Salaries and  
9 expenses", \$9,000;

10 Civil Service Commission: "Salaries and expenses",  
11 \$1,065,000;

12 Federal Civil Defense Administration:

13 "Operations", \$362,000, to be derived by transfer  
14 from the appropriation "Emergency supplies and equip-  
15 ment";

16 "Salaries and expenses, civil defense functions of  
17 Federal agencies", \$40,000, to be derived by transfer  
18 from the appropriation "Emergency supplies and equip-  
19 ment";

20 Federal Communications Commission: "Salaries and ex-  
21 penses", \$453,000;

22 Federal Mediation and Conciliation Service: "Salaries  
23 and expenses", \$160,000;

1 Federal Power Commission: "Salaries and expenses",  
2 \$250,000;

3 Federal Trade Commission: "Salaries and expenses",  
4 \$286,000;

5 General Accounting Office: "Salaries and expenses",  
6 \$1,500,000;

7 Indian Claims Commission: "Salaries and expenses",  
8 \$1,700;

9 Interstate Commerce Commission:

10 "General expenses", \$670,000;

11 "Railroad safety", \$60,500;

12 "Locomotive inspection", \$44,500;

13 National Capital Housing Authority: "Maintenance and  
14 operation of properties", \$1,400;

15 National Capital Planning Commission: "Salaries and  
16 expenses", \$6,700;

17 Securities and Exchange Commission: "Salaries and  
18 expenses", \$323,000;

19 Selective Service System: "Salaries and expenses" (de-  
20 crease the amount of the limitation under this head in the  
21 Independent Offices Appropriation Act, 1956, on the amount  
22 available for registration, classification, and induction activi-  
23 ties of local boards from "\$20,963,700" to "\$20,636,300") ;

1 Small Business Administration: "Salaries and expenses",  
2 \$128,000;

3 Smithsonian Institution:

4 "Salaries and expenses", \$166,000;

5 "Salaries and expenses, National Gallery of Art",  
6 \$81,000;

7 Tariff Commission: "Salaries and expenses", \$83,000;

8 United States Information Agency: "Salaries and ex-  
9 penses", \$2,000,000;

10 Veterans Administration:

11 "General operating expenses", \$9,500,000;

12 "Medical administration and miscellaneous operating  
13 expenses", \$755,600;

14 "Inpatient care", \$30,790,600;

15 "Maintenance and operation of supply depots",  
16 \$50,000;

17 GENERAL SERVICES ADMINISTRATION

18 "Emergency operating expenses", \$265,000;

19 "Operating expenses, Federal Supply Service",  
20 \$190,000;

21 "Expenses, general supply fund", \$625,000;

22 "Operating expenses, National Archives and Records  
23 Service", \$325,000;

24 "Administrative operations", \$285,000;

1       “Abaca fiber program” (increase of \$2,000 in the limi-  
2   tation upon the amount which may be used for administra-  
3   tive expenses) ;

4                   DEPARTMENT OF AGRICULTURE

5       Agricultural Research Service:

6           “Research on strategic and critical agricultural  
7   materials”, \$14,000;

8           “Foot-and-mouth and other contagious diseases of  
9   animals and poultry”, \$45,000;

10       Extension Service: Federal Extension Service: “Ad-  
11   ministration and coordination”, \$60,000, to be derived by  
12   transfer from the appropriation “Payments to States, Hawaii,  
13   Alaska, and Puerto Rico”;

14       “Farmer Cooperative Service”, \$19,000;

15       Forest Service: “State and private forestry coopera-  
16   tion”, \$45,000;

17       Soil Conservation Service: “Conservation operations”,  
18   \$3,650,000;

19       Agricultural Marketing Service: “Marketing research  
20   and service”, \$1,300,000, of which \$925,000 shall be  
21   derived by transfer from the appropriation “Payments to  
22   States, Hawaii, Alaska, and Puerto Rico”, Extension  
23   Service;

24       “Foreign Agricultural Service”, \$80,000;



1       “Commodity Exchange Authority”, \$44,000;

2       Commodity Stabilization Service: “Agricultural adjust-  
3   ment programs”, \$150,000;

4       “Federal Crop Insurance Corporation”, \$214,200;

5       Rural Electrification Administration: “Salaries and ex-  
6   penses”, \$460,000;

7       “Office of the General Counsel”, \$116,000;

8       “Office of the Secretary”, \$138,000;

9       “Office of Information”, \$43,500;

10      “Library”, \$40,000;

11                               DEPARTMENT OF COMMERCE

12      Office of the Secretary: “Salaries and expenses”, \$140,-  
13   500;

14      Bureau of the Census: “Censuses of business, manu-  
15   factures, and mineral industries”, \$304,000;

16      Civil Aeronautics Administration:

17          “Operation and regulation”, \$5,890,000;

18          “Maintenance and operation, Washington National  
19   Airport”, \$38,000;

20          “Maintenance and operation of public airports, Ter-  
21   ritory of Alaska”, \$17,500;

22      Civil Aeronautics Board: “Salaries and expenses”,  
23   \$265,000;

24      Coast and Geodetic Survey: “Salaries and expenses”,  
25   \$340,000;

1 Business and Defense Services Administration: "Salaries  
2 and expenses", \$402,000;

3 Bureau of Foreign Commerce:

4 "Salaries and expenses", \$130,500;

5 "Export control", \$186,000;

6 Office of Business Economics: "Salaries and expenses",  
7 \$60,000;

8 Maritime activities: "Salaries and expenses", \$525,500;

9 and increase the limitations thereunder as follows:

10 Administrative expenses, \$410,000;

11 Maintenance of shipyard facilities and operation of  
12 warehouses, \$37,200;

13 Reserve fleet expenses, \$78,300;

14 Patent Office: "Salaries and expenses", \$500,000;

15 National Bureau of Standards: "Expenses", \$413,500;

16 Weather Bureau: "Salaries and expenses", \$1,650,000;

17 DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

18 Office of the Secretary of Defense: "Salaries and ex-  
19 penses", \$769,000, to be derived by transfer from the appro-  
20 priation "Military personnel, Marine Corps";

21 "Office of Public Affairs", \$27,500, to be derived by  
22 transfer from the appropriation "Military personnel, Marine  
23 Corps";

24 Interservice activities: "Court of Military Appeals",

1 \$41,400, to be derived by transfer from the appropriation  
2 "Military personnel, Marine Corps";

3 Department of the Navy:

4 "Service-wide supply and finance", \$7,400,000, to  
5 be derived by transfer from the appropriation "Military  
6 personnel, Marine Corps";

7 "Service-wide operations", \$2,180,000, to be derived  
8 by transfer from the appropriation "Military personnel,  
9 Marine Corps";

10 DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

11 Department of the Army:

12 Rivers and harbors and flood control:

13 "General investigations", \$100,000;

14 "General expenses", \$550,000;

15 "United States Soldiers' Home", \$137,000, to be  
16 paid from the Soldiers' Home permanent fund;

17 Canal Zone Government: "Operating expenses",  
18 \$448,000;

19 "Panama Canal Company" (increase of \$49,000  
20 in the limitation upon the amount which may be used  
21 for administrative expenses) ;

22 DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

23 Food and Drug Administration: "Salaries and ex-  
24 penses", \$360,000;

1 Freedmen's Hospital: "Salaries and expenses", \$100,-  
2 000;

3 Gallaudet College: "Salaries and expenses", \$9,000;

4 Howard University: "Salaries and expenses", \$215,-  
5 000;

6 Office of Education:

7 "Salaries and expenses", \$190,000, to be derived  
8 by transfer from the appropriation "Promotion and  
9 further development of vocational education";

10 "Salaries and expenses, White House Conference on  
11 Education", \$8,000;

12 Office of Vocational Rehabilitation: "Salaries and ex-  
13 penses", \$58,000;

14 Public Health Service:

15 "Assistance to States, general", \$161,000;

16 "Venereal diseases", \$116,000;

17 "Tuberculosis", \$62,000;

18 "Communicable diseases", \$146,000;

19 "Sanitary engineering activities", \$120,000;

20 "Disease and sanitary investigations and control,  
21 Territory of Alaska", \$14,000;

22 "Salaries and expenses, hospital construction serv-  
23 ices", \$40,000;

24 "Hospitals and medical care", \$1,070,000;



- 1           “Foreign quarantine service”, \$150,000;
- 2           “Indian health activities”, \$1,150,000;
- 3           “National Institutes of Health, operating expenses”,
- 4       \$30,000;
- 5           “National Cancer Institute”, \$150,000;
- 6           “National Heart Institute”, \$120,000, of which
- 7       \$90,000 shall be derived by transfer from the appro-
- 8       priation “Construction of housing facilities for animals”;
- 9           “Dental health activities”, \$40,000;
- 10          “Arthritis and metabolic disease activities”,
- 11       \$100,000;
- 12          “Microbiology activities”, \$195,000;
- 13          “Salaries and expenses”, \$154,000;
- 14       Saint Elizabeths Hospital: “Salaries and expenses”,
- 15       \$117,000;
- 16       Social Security Administration:
- 17          “Salaries and expenses, Bureau of Old-Age and
- 18       Survivors Insurance”, \$5,229,000, to be derived from
- 19       the Federal old-age and survivors insurance trust fund;
- 20          “Salaries and expenses, Bureau of Public Assist-
- 21       ance”, \$95,000;
- 22          “Salaries and expenses, Children’s Bureau”,
- 23       \$100,000, to be derived by transfer from the appro-
- 24       priation “Promotion and further development of voca-
- 25       tional education”;

“Salaries and expenses, Office of the Commissioner”, \$11,400, together with not to exceed \$8,600 to be transferred from the Federal old-age and survivors insurance trust fund;

Office of the Secretary:

“Salaries and expenses”, \$83,500, together with not to exceed \$11,500 to be transferred from the Federal old-age and survivors insurance trust fund;

“Salaries and expenses, Office of Field Administration”, \$108,400, together with not to exceed \$27,000 to be transferred from Federal old-age and survivors insurance trust fund;

“Salaries and expenses, Office of the General Counsel”, \$26,400, together with not to exceed \$1,500 to be transferred from the appropriation “Salaries and expenses, certification, inspection, and other services”, and not to exceed \$25,900, to be derived from the Federal old-age and survivors insurance trust fund;

“Surplus property utilization”, \$25,000;

#### DEPARTMENT OF THE INTERIOR

Office of the Secretary:

“Oil and Gas Division”, \$15,600;

“Office of the Solicitor”, \$165,000;

Commission of Fine Arts: “Salaries and expenses”, \$1,000;

1       Bonneville Power Administration: "Operation and  
2 maintenance", \$162,500;

3       Bureau of Indian Affairs:

4             "Resources management", \$450,000;

5             "General administrative expenses", \$150,000;

6       Bureau of Reclamation:

7             "Operation and maintenance" (decrease the amount  
8 under this head in the Public Works Appropriation Act,  
9 1956, which is to be derived from the reclamation fund  
10 from "\$20,223,638" to "\$20,171,138", and increase  
11 the amount under said head which is to be derived from  
12 the Colorado River dam fund from "\$1,697,000" to  
13 "\$1,749,500") ;

14             "General administrative expenses", \$150,000;

15       Bureau of Mines:

16             "Conservation and development of mineral re-  
17 sources", \$650,000;

18             "Health and safety", \$305,000;

19             "General administrative expenses", \$60,000;

20       National Park Service:

21             "Management and protection", \$618,000;

22             "Maintenance and rehabilitation of physical facili-  
23 ties", \$144,000;

1           “General administrative expenses”, \$75,000;

2       Fish and Wildlife Service:

3           “Management of resources”, \$280,000;

4           “Investigations of resources”, \$185,000;

5           “General administrative expenses”, \$50,000;

6       Administration, Department of the Interior: “Salaries  
7 and expenses”, \$100,000;

8                       DEPARTMENT OF JUSTICE

9       Legal activities and general administration:

10           “Salaries and expenses, general administration”,  
11       \$173,000;

12           “Salaries and expenses, United States attorneys and  
13 marshals”, \$559,000;

14       Federal Bureau of Investigation: “Salaries and ex-  
15 penses”, \$5,826,000;

16       Immigration and Naturalization Service: “Salaries and  
17 expenses”, \$1,995,000;

18       Federal Prison System:

19           “Salaries and expenses, Bureau of Prisons”,  
20       \$1,335,000, of which \$275,000 shall be derived by  
21 transfer from the appropriation “Support of United  
22 States prisoners”;

23           “Federal Prison Industries, Inc.” (increase of



1       \$15,000 in the limitation upon the amount which may be  
2       used for expenses of vocational training of prisoners) ;

3                               DEPARTMENT OF LABOR

4       Office of the Secretary: "Salaries and expenses", \$90,-  
5       850, to be derived by transfer from the appropriation "Un-  
6       employment compensation for veterans";

7       Office of the Solicitor: "Salaries and expenses", \$79,500,  
8       to be derived by transfer from the appropriation "Unemploy-  
9       ment compensation for veterans";

10       Bureau of Labor Standards: "Salaries and expenses",  
11       \$49,000, to be derived by transfer from the appropriation  
12       "Unemployment compensation for veterans";

13       Bureau of Veterans' Reemployment Rights: "Salaries  
14       and expenses", \$22,500, to be derived by transfer from the  
15       appropriation "Unemployment compensation for veterans";

16       Bureau of Apprenticeship: "Salaries and expenses",  
17       \$200,800, to be derived by transfer from the appropriation  
18       "Unemployment compensation for veterans";

19       Bureau of Employment Security:

20               "Salaries and expenses", \$329,100, to be derived  
21       by transfer from the appropriation "Unemployment com-  
22       pensation for veterans";

23               "Salaries and expenses, Mexican farm labor pro-  
24       gram", \$107,000, to be derived by transfer from the

1 appropriation "Unemployment compensation for vet-  
2 erans";

3 Bureau of Employees' Compensation: "Salaries and ex-  
4 penses", \$143,000, to be derived by transfer from the  
5 appropriation "Unemployment compensation for veterans";

6 Bureau of Labor Statistics: "Salaries and expenses",  
7 \$342,000, to be derived by transfer from the appropriation  
8 "Unemployment compensation for veterans";

9 Women's Bureau: "Salaries and expenses", \$23,000,  
10 to be derived by transfer from the appropriation "Unem-  
11 ployment compensation for veterans";

12 Wage and Hour Division: "Salaries and expenses",  
13 \$481,000, to be derived by transfer from the appropriation  
14 "Unemployment compensation for veterans";

15 POST OFFICE DEPARTMENT

16 (Out of postal fund)

17 "Administration", \$486,600;

18 "Operation", \$135,363,000;

19 "Transportation", \$11,100,000;

20 "Finance", \$335,400;

21 "Facilities", \$2,715,000;

22 DEPARTMENT OF STATE

23 "Salaries and expenses", \$3,080,000, of which \$263,000  
24 shall be derived by transfer from the appropriation "Educa-  
25 tional aid for China and Korea, State";

1       “Missions to international organizations”, \$43,000, to  
2 be derived by transfer from the appropriation “Educational  
3 aid for China and Korea, State”;

4       International Boundary and Water Commission, United  
5 States and Mexico:

6           “Salaries and expenses”, \$22,000, to be derived by  
7 transfer from the appropriation “Educational aid for  
8 China and Korea, State”;

9           “Operation and maintenance”, \$39,000, to be de-  
10 rived by transfer from the appropriation “Educational  
11 aid for China and Korea, State”;

12       “American sections, international commissions”, \$13,-  
13 000, to be derived by transfer from the appropriation “Edu-  
14 cational aid for China and Korea, State”;

15       “International educational exchange activities”, \$170,-  
16 000, to be derived by transfer from the appropriation “Edu-  
17 cational aid for China and Korea, State”;

18                               TREASURY DEPARTMENT

19       Office of the Secretary:

20           “Salaries and expenses”, \$170,000;

21           “Liquidation of Reconstruction Finance Corpora-  
22 tion” (increase of \$85,000 in the amount which may  
23 be used for administrative expenses) ;

24       Bureau of Accounts: “Salaries and expenses, Division  
25 of Disbursement”, \$280,000;

1 Bureau of the Public Debt: "Administering the public  
2 debt", \$752,000;

3 Office of the Treasurer: "Salaries and expenses", \$175,-  
4 000;

5 Bureau of Customs: "Salaries and expenses", \$2,855,-  
6 000;

7 Internal Revenue Service: "Salaries and expenses",  
8 \$17,900,000;

9 Bureau of Narcotics: "Salaries and expenses", \$155,-  
10 000;

11 United States Secret Service:

12 "Salaries and expenses", \$179,000;

13 "Salaries and expenses, White House Police", \$57,-  
14 000;

15 "Salaries and expenses, guard force", \$17,000;

16 Coast Guard: "Operating expenses", \$389,000, to be  
17 derived by transfer from the appropriation "Retired pay";

18 DISTRICT OF COLUMBIA

19 (Out of District of Columbia funds)

20 Operating expenses:

21 "Executive Office", \$17,500;

22 "Department of General Administration", \$88,-  
23 400;

24 "Office of Corporation Counsel", \$24,400;



“Compensation and retirement fund expenses”,  
\$440,000;

“Regulatory agencies”, \$55,700;

“Department of Occupations and Professions”,  
\$13,600;

“Public schools”, \$3,172,000;

“Public Library”, \$98,500;

“Recreation Department”, \$79,000;

“Metropolitan Police”, \$840,300, of which amount  
\$118,100 shall be payable from the highway fund;

“Fire Department”, \$330,000;

“Office of Civil Defense”, \$3,400;

“Courts”, \$445,000;

“Department of Public Health”, \$1,263,800;

“Department of Corrections”, \$145,000;

“Department of Public Welfare”, \$297,800;

“Department of Buildings and Grounds”, \$77,300;

“Office of the Surveyor”, \$4,400;

“Department of Licenses and Inspections”, \$54,-  
000;

“Department of Highways”, \$70,300, of which  
amount \$50,522 shall be payable from the highway  
fund;

“Department of Vehicles and Traffic”, \$53,500  
(payable from the highway fund);

1           “Department of Sanitary Engineering”, \$124,500,  
2       of which amount \$36,941 shall be payable from the  
3       water fund and \$37,487 shall be payable from the sani-  
4       tary sewage works fund;

5           “Washington Aqueduct”, \$43,500 (payable from  
6       the water fund) ;

7           “National Guard”, \$5,800;

8           “National Capital Parks”, \$95,000;

9           “National Zoological Park”, \$21,600.

#### 10                           GENERAL PROVISION

11       SEC. 1402. Except where specifically increased or de-  
12       creased elsewhere in this Act, the restrictions contained with-  
13       in appropriations, or provisions affecting appropriations or  
14       other funds, available during the fiscal year 1956, limiting  
15       the amounts which may be expended for personal services,  
16       or for purposes involving personal services, or amounts which  
17       may be transferred between appropriations or authorizations  
18       available for or involving such services, are hereby increased  
19       to the extent necessary to meet increased pay costs author-  
20       ized by the Act of June 10, 1955 (Public Law 68), the Act  
21       of June 28, 1955 (Public Law 94), the Act of August 5,  
22       1955 (Public Law 242), the Act of August 5, 1955 (Pub-  
23       lic Law 243), and the Act of August 5, 1955 (Public Law  
24       244).

Union Calendar No. 669

84<sup>TH</sup> CONGRESS  
2<sup>D</sup> Session

**H. R. 10004**

[Report No. 1897]

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# A BILL

---

Making supplemental appropriations for the  
fiscal year ending June 30, 1956, and for  
other purposes.

---

By Mr. CANNON

---

MARCH 15, 1956

Committed to the Committee of the Whole House on  
the State of the Union and ordered to be printed







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued March 21, 1956

For actions of March 20, 1956

84th-2nd, No. 49

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

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HIGHLIGHTS: Senate sent to conference bill to exempt farmers from excise tax on gasoline used on farm. House commenced debate on second supplemental appropriation bill for 1956. House received from President appropriation estimates for 1957 mutual security program.

## HOUSE

1. APPROPRIATIONS. Commenced debate on H. R. 10004, the second supplemental appropriation bill for 1956. p. 4599
2. SCHOOL MILK; BRUCELLOSIS ERADICATION. Reps. Byrnes and Laird criticized the conference report on H. R. 8320, to extend the school milk and brucellosis eradication programs to the end of this fiscal year; while Reps. Abernethy and Multer expressed satisfaction with the conference report as fulfilling the objective set forth in the proposal. p. 4593
3. FOREIGN AID. Received from the President appropriation estimates for 1957 in the amount of \$4,859,975,000 for the mutual security program (H. Doc.360); to the Appropriations Committee. p. 4633
4. PERSONNEL. Received from the Commerce Department draft legislation "to authorize the establishment of eight positions for specially qualified scientific and professional personnel in the Department of Commerce with rates of compensation not to exceed the maximum rate payable, pursuant to Public Law 313, 80th Congress;" to the Post Office and Civil Service Committee. p. 4634
5. DEFENSE PRODUCTION. The Banking and Currency Committee ordered reported H. R. 9852, to extend the provisions of the Defense Production Act of 1950. p. D263

6. FOOD. The Judiciary Committee, in executive session, tabled H. Con. Res. 204, to provide for the commemoration of the 50th anniversary of the Food and Drug Act. p. D264
7. LEGISLATIVE PROGRAM. The "Daily Digest" states that on Wed., Mar. 21, H. R. 10004, the second supplemental appropriation ~~Bill~~ for 1956, and the conference report on H. R. 8320, to extend the school milk and brucellosis eradication programs to the end of this fiscal year, will be considered. p. D262

#### SENATE

8. TAXATION. Senate conferees were appointed on H. R. 8780, to exempt farmers from the Federal excise tax on gasoline used on the farm. p. 4540 (House conferees were appointed March 19.)  
Sen. Humphrey inserted a National Council of Farmer Cooperatives resolution favoring a clarification of the taxable status of co-op patrons who receive refunds, opposing withholding tax for patrons receiving co-op refunds, and favoring legislation to eliminate double taxation on members and patrons of co-ops. p. 4536
9. NATURAL RESOURCES. Sen. Neuberger criticized the natural resource and public power policies of Secretary McKay, and inserted a letter he had written to a newspaper criticizing the Secretary, including references to the Al Sarena forestry case. p. 4541

#### ITEMS IN APPENDIX

10. ACREAGE ALLOTMENTS. Sen. Martin inserted a newspaper editorial describing the planting of various crops in the Delaware Valley and the indicated acreage allotments for such crops. p. A2458
11. COTTON. Extension of remarks of Rep. Elliott stating that the reduction in Alabama's cotton acreage for 1956 is creating hardships for many farmers and inserting an Alabama Legislature resolution concerning the cotton-allotment and outlining the serious plight of Alabama's cotton farmers. p. A2458
12. ELECTRIFICATION. Sen. Kefauver inserted excerpts from a speech by Clyde T. Ellis, Nat'l Rural Electric Cooperative Ass'n, "Freedom and Abundance Are The American Way." p. A2465
13. STATEHOOD. Del. Bartlett inserted a newspaper editorial objecting to so-called organized opposition each time a proposed Alaska statehood bill comes up before Congress. p. A2468  
Del. Bartlett inserted a newspaper editorial favoring the proposed draft of a State constitution for Alaska. p. A2483
14. CONSERVATION. Extension of remarks of Rep. Avery paying tribute to the late Col. Henry J. Weltmer, and to the outstanding program of soil conservation which he helped foster and inserting a summarization of basic conservation plans. p. A2463
15. WATER RIGHTS. Rep. Burdick inserted a No. Dak. State Water Conservation Commission resolution urging Congressional recognition of States' rights in and to the waters of streams and natural water courses. p. A2494



outside of the United States. There are several bills which have been introduced.

Mr. PHILLIPS. The gentleman did not understand. The authority presently in the Commission covers monuments outside the United States. This resolution would instruct them to erect a monument inside the United States which, I suggest, is new in the procedure of the Battle Monuments Commission. I presume the intent of the resolution is to give them an authority which is beyond their present authority.

Mr. JONES of Missouri. Frankly, I will have to admit I am not acquainted with that feature. It was not brought up in the discussion. I call the attention of the gentleman from California to the fact that those plans, prior to submission to the Congress, must be submitted to the National Commission of Fine Arts with respect to design and so forth.

Mr. PHILLIPS. Apparently the resolution is asking only or instructing the Battle Monuments Commission to do what it can and to submit recommendations to the Congress for approval. I foresee no particular problem.

Mr. JONES of Missouri. I think that is provided in the resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

*Resolved, etc., That the American Battle Monuments Commission, whose former chairman was the late John J. Pershing, General of the Armies of the United States, is authorized and directed to prepare plans and estimates for the erection of a suitable memorial to Gen. John J. Pershing, together with recommendations with respect to site, design, and materials, for submission to the Congress at as early a date as practicable. Such plans shall, prior to submission to the Congress, be approved by the National Commission of Fine Arts with respect to the design and materials to be used.*

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### LEGISLATIVE PROGRAM AND HOUR OF MEETING TOMORROW

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I do this for the purpose of asking the minority whip if he can tell us about the change in program for today and the reason we have delayed the consideration of the conference report from the Committee on Agriculture. Can the gentleman tell us what we might expect?

Mr. ALBERT. As the gentleman knows, we had announced yesterday that the conference report on H. R. 8320 would be called up today. However, we have put that over because of the Minnesota primary, and it is our plan to meet at 11 o'clock tomorrow and to take up the conference report on H. R. 8320 at that time.

Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ARENDS. May I further ask the gentleman if by coming in early we can get rid of the conference report and any other business that may come up in order to accommodate the departure for the many Members who are leaving on this trip?

Mr. ALBERT. I think the gentleman has stated the situation correctly.

#### PROCEDURE ON PRIMARY DAY

(Mr. MULTER asked and was given permission to address the House for 1 minute.)

Mr. MULTER. Mr. Speaker, can the distinguished gentleman from Oklahoma tell us whether or not we can take as a guide for our future activity the fact that on primary days there will be no rollcalls?

The SPEAKER pro tempore. The Chair would state to the gentleman from New York that that is a matter of consultation between the leadership. There are some cases when Members are going to be here, but whenever any are away, the leadership on both sides have always been consulted, and have as complete regard for the interests and the problems of the Members as is humanly possible. I think that expression constitutes the sentiment on both sides, regardless of party.

Mr. MULTER. The entire body is appreciative of that statement.

The SPEAKER pro tempore. I think the gentleman from New York can have confidence in the leadership.

Mr. MULTER. I thank the gentleman.

#### COMMITTEE ON THE JUDICIARY

Mr. LANE. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit tomorrow during general debate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### CALL OF THE HOUSE

Mr. DAVIS of Wisconsin. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 17]

Barrett	Donovan	Hillings
Baumhart	Eberhart	Hollifield
Bolling	Engle	Holt
Canfield	Fino	Jensen
Cannon	Gamble	Knutson
Chase	Grant	Lankford
Diggs	Harrison, Nebr.	Miller, Calif.

Miller, Nebr.	Riehlman	Thompson, N. J.
Mollohan	Rivers	Tollefson
Osmer	Shelley	Tuck
Powell	Sheppard	Weaver
Prouty	Spence	
Rains	Taylor	

The SPEAKER pro tempore. Three hundred and eighty-four Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes; and pending that motion I ask unanimous consent that general debate be limited to not to exceed 1½ hours, the time to be equally divided between the gentleman from New York [Mr. TABER] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 10004, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Texas [Mr. MAHON] is recognized for 45 minutes, and the gentleman from New York [Mr. TABER] will be recognized for 45 minutes.

Mr. MAHON. Mr. Chairman, I yield myself 11 minutes.

Mr. Chairman, the bill before us is the second supplemental appropriation bill for the current fiscal year. The total budget requests of the Congress in connection with this measure were \$835 million. The Committee on Appropriations rejected budget requests in the sum of \$40 million and brings the bill before the House today with an appropriation of \$795 million. Most of the items in this measure are wholly noncontroversial, most of them are here because they are required expenditures of the Government by reason of prior enactments of the Congress.

For instance, there is the item of \$103 million to liquidate contract authority previously granted for the Federal-aid highway program. There is \$195 million in the bill for veterans' compensation and readjustment benefits, all of which, of course, are fixed by law. There is also in the bill \$266 million for Federal employees by reason of the pay-raise legislation enacted last year, so nothing can be done about that. There is \$47 million for public-assistance grants fixed by law, \$34 million for prescribed school assistance in areas where Federal activities



have imposed unusual burdens on the local school system and then there is \$27 million in the bill for the program of aiding in polio vaccinations.

Mr. Chairman, the able chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON] is not able to be present this afternoon so I am acting in his stead in presenting this bill to the House. Actually hearings were held by the various subcommittees of the Committee on Appropriations and various markups were made by the subcommittees. Last Thursday the 50-man Appropriations Committee met and approved the bill before us, H. R. 10004, in its present form. The people who know most about various chapters are those who served on the various panels.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I note in the bill as reported in the Department of Defense military functions section there is no provision for additional funds for the Air Force. I am told that this is the first year in a number of years that there has not been a supplemental appropriation bill for the Air Force. Would the gentleman comment on why there is no supplemental appropriation coming up this year for Air Force needs when we are getting a good deal of evidence to the effect there is a serious lag in some particulars in the Air Force program?

Mr. MAHON. The effect of a lag in the Air Force program would mean that funds would not be spent quite as rapidly and would mean there would be less necessity for a supplemental appropriation. I might say that there are some deficiencies in our defense program, but there was no necessity under the circumstances for a special supplemental appropriation for the Air Force in this bill, in my judgment.

Mr. EDMONDSON. Can the gentleman tell me whether or not in his knowledge there will be a supplemental appropriation for the Air Force in this fiscal year?

Mr. MAHON. I have no information that there will be one. In my opinion, there will not be one, yet there is considerable controversy in regard to the 1957 Air Force and military program generally. But I think that controversy will be resolved in the annual supply bill, the \$35 billion defense appropriation bill, that will probably be considered by the House in late April or May. Also, I must point out that there will be an additional bill before us for Air Force public works.

Mr. EDMONDSON. There is one further question in regard to the Air Force, and I will close with thanks to the gentleman for his kindness. For some time there has been pending in the Department of Defense a very strong recommendation that a program known as the air technicians plan be placed in operation in the Air Reserve squadrons and wings of this country. This program has been placed in successful operation in the Air National Guard. It has proved to save money and to save personnel and to greatly increase the efficiency of the squadrons and wings where it is in opera-

tion. I wonder if the gentleman can shed any light upon the fact that the Department of Defense has not seen fit to implement this program with funds necessary to place it in operation at the outset.

Mr. MAHON. I would say to the gentleman from Oklahoma that in my judgment there is great merit in the suggestion which the gentleman makes. Hearings are now in progress before the Committee on Appropriations, at which time that matter will be thoroughly explored, and I hope some way may be found to bring about the condition which the gentleman from Oklahoma advocates. His suggestions are timely and most helpful.

Mr. EDMONDSON. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. GROSS. Does this bill provide, may I ask the gentleman, for any super-grade employees?

Mr. MAHON. I believe not. I know of none, and as the debate progresses I will make further investigation. But I know of none.

Mr. GROSS. May I ask the gentleman another question?

Mr. MAHON. Yes.

Mr. GROSS. Does the bill provide for increased employment in the Federal Government?

Mr. MAHON. The bill provides for approximately 900 additional civilian employees in the Government, some of whom are temporary employees.

Mr. GROSS. Nine hundred additional employees?

Mr. MAHON. They are broken down in various categories. For example, in the chapter on the Department of Agriculture there is a request for 350 additional employees. That is the Commodity Credit Corporation, which could be better explained by the gentleman from Mississippi [Mr. WHITTEN], later in the debate. In the Commerce Department, 10; general Government matters, 169; Labor Department, none; Public Works, none; Justice Department, 149. The list is here, and I will make it available to the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. I yield.

Mr. GROSS. Does the gentleman think that these new positions are completely justified on the basis of hearings held by the committee?

Mr. MAHON. Well, hearings have been held and the results of those hearings are printed and available to the House. I personally cannot vouch for the validity of each and every increase in personnel, but the Committee on Appropriations through its action has considered these employees necessary and have approved specifically all those included.

Mr. GROSS. I will say to the gentleman that this poses a difficult problem for the Subcommittee on Manpower Utilization of the Committee on Post Office and Civil Service. We are trying to reduce Federal employment, the num-

ber of people on the Federal payroll. So that when we run into this kind of a situation, it makes it extremely difficult to accomplish anything.

Mr. MAHON. I will say to the gentleman that I think we all join in the effort to reduce the number of employees of the Federal Government. Last year the Committee on Appropriations made certain reductions that brought about a reduction in personnel. The President, through his Bureau of the Budget, has said that certain additional employees are necessary and after screening those requests there were approved the 900-odd which are proposed here. Not all the employees requested were approved.

Mr. GROSS. I want to call the gentleman's attention to the fact that employment in the Federal Government is now going back up again. I regret to hear that some 900 new employees are provided under this bill.

Mr. MAHON. I think we all regret that fact. I think the gentleman has posed a very important and disturbing question and I shall gladly continue to work with him and others in an effort to get more economy and efficiency in the Government.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Virginia.

Mr. GARY. Is it not a fact that each chapter of this bill has been very carefully considered by the subcommittee that handles the regular appropriation for the specific department and agencies in each chapter?

Mr. MAHON. The gentleman is absolutely correct.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am glad to yield to the gentleman from Mississippi, the chairman of the subcommittee handling appropriations for the Department of Agriculture.

Mr. WHITTEN. May I say to the gentleman from Iowa [Mr. GROSS] that I thoroughly agree with his concern over increasing governmental employment. However, insofar as the chapter on Agriculture is concerned, the substantial increase in number of employees is based on this situation.

The Commodity Credit Corporation has asked for an increase in its administrative fund. For years we have been trying to get them to offer commodities for sale in world channels, and finally we have got them moving to a considerable degree. Unfortunately, as you begin to move commodities out it requires more handling, more paperwork, and more employees.

In addition to that, in recent years, due to other conditions, the volume of business of the Corporation has required more manpower. We cannot meet the problem without people to do the work under present conditions. The other increases, which are minor in character, have to do with a program for the remainder of this year for the Farmers' Home Administration, with regard to certain people who cannot qualify under either of the other housing programs. This is loan money.



In addition to that money that was made available last year to meet the drought disaster in some of the Western States, the time for the use of those funds on emergency basis expired the 1st of January. We have renewed the availability of those funds under the regular programs of the Department.

We certainly have not tried to add any permanent employees to the Department, but only to meet these new workloads, which in themselves, I think, are very sound, and for that we did have to have people to do the work.

Mr. DOWDY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Texas.

Mr. DOWDY. The Committee on Post Office and Civil Service has been getting a good many complaints from postal employees in regard to a suggestion, perhaps from the Department, that they defer taking their annual leave until after the 1st of July. I understand that there is an appropriation in this bill for the Post Office Department. Is it of sufficient amount to relieve that situation? In other words, it seems to me that as long as annual leave is due them, it could be paid for in this fiscal year as well as in the next fiscal year. It would not cost any more. I wonder if that is taken care of in the bill.

Mr. MAHON. To answer the question, I should like to yield to the chairman of the subcommittee for the Post Office Department, the gentleman from Virginia [Mr. GARY].

Mr. GARY. The only item in this bill for the Post Office Department is an appropriation to cover the pay increases which the Congress authorized last year. It is my understanding that the Post Office Department has presented a further request to the Bureau of the Budget for additional funds for the operation of the Department for the current fiscal year, but that request has not yet reached the Congress.

Mr. DOWDY. I thank the gentleman.

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill calls for a total of \$795 million. The big items involved are the Veterans' Administration, old-age pension, the vaccine for polio, and the increased-pay items.

The other items are all in themselves small with the exception of the Commerce Department, where we have a large item for ship subsidy and another quite substantial item involving about \$100 million for Federal aid to highways.

As to the items that are included in the bill, I do not care to address myself to them at this time. The only thing I care to say at this time is that there is included in the bill nothing whatever with reference to the Tennessee Valley Authority. There was a budget estimate for it, which I should oppose if it were in the bill, for the starting of a steam plant at John Sevier, involving \$3,500,000.

The majority report tells the Tennessee Valley Authority to use the money received out of their operating revenues for the construction of this steam plant at John Sevier, which will cost in the neighborhood of \$28 million. That steam plant is being talked about be-

cause of a deal that was made to supply the Reynolds Metals Corporation with 235,000 kilowatts of power, and which drew the Reynolds Metals Corporation away from a coal mine that they are supposed to own, and right beside which they intended to build an aluminum plant costing in the neighborhood of 300 million on the basis of their statement.

This particular plant at John Sevier would produce, according to what they told us, 180,000 kilowatts. All last summer they were cutting down on the users of power for aluminum because they did not have enough, yet they have reached out to take in more.

As everybody knows who has studied the question, the Tennessee Valley Authority is being operated on a basis that does not produce revenue enough to pay the operating expenses, property depreciation, or interest upon the money invested, plus the allotment for taxes of a proper amount. When the whole situation was explored in 1948, there was this provision placed in the appropriation bill which was passed by the House and agreed to by the other body:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects except for replacement purposes unless and until approved by act of Congress.

Later on, on July 14, 1954, one of the leading advocates of the TVA and Member of the other body made this statement:

The TVA cannot start one single new power facility; it cannot put one dollar of its income or any other funds into any new power facility except by and with the advice and direction of Congress.

This particular authorization or direction to the TVA, which is in the majority report, to use its revenues to build this additional power unit in the John Sevier setup is not in an act of Congress. In my opinion, and I think in the opinion of any good lawyer, the direction is an absolute nullity. It gives us no opportunity to raise the question here on the floor and simply is an attempt to bypass the Congress and its control over the operations of the Government and the spending of the people's money. Frankly, I do not approve of that. But the situation is this. The only thing there is in the majority report signed by the majority of the committee, and it is impossible under the rules of the House to amend a committee report on the floor of this body. Nor is it possible to provide any legislative amendment to an appropriation bill which would be of any value here.

Mr. Chairman, with that statement I feel I should yield the floor.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. GROSS. I call the gentleman's attention to an appropriation provision on page 16 of the bill—for an additional amount for construction of \$3 million to remain available until expended. As I understand it, this is for a Jefferson Memorial in St. Louis; is that correct?

Mr. TABER. Yes.

Mr. GROSS. Does not this authorization fly in the face of Public Law 361,

approved May 17, 1954, which provides that no authorization is to be made until the receipts of the Government for the preceding fiscal year have exceeded the expenditures of the Government for such year, as determined by the Director of the Bureau of the Budget, or the budget submitted to the Congress by the President under the Budget Accounting Act of 1921 reveals that "the estimated receipts of the Government for the fiscal year, for which such budget is submitted, are in excess of the estimated expenditures of the Government for such fiscal year"?

Mr. TABER. The proper procedure on that would be when that point is reached to make a point of order, and it would be up to those who feel that it is properly in the bill to justify their position. The burden would be on them to justify their position.

Mr. GROSS. But there is some question in the gentleman's mind as to the validity of this authorization.

Mr. TABER. I do not think the validity would be established until after the budget had been balanced.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. TABER. I yield myself 2 additional minutes, and I now yield to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. I thank the gentleman.

Now, talking about the Reynolds plant, I refer to page 669 of the hearings. The interrogator is none other than the gentleman from New York [Mr. TABER]. He says:

Well, now, what you are really asking for in this particular plant is to put it on—is to put yourself in a position where you can take care of this Reynolds metal outfit; is that not it? That is really what you are asking for, is it not?

That is what Mr. TABER said.

Mr. Wessenauer making reply said:

No, sir. The request was made before the Reynolds load came in and has to do with all the various load developments which will take place in the next 2 years.

That was the answer.

Mr. TABER. But it came right along at that time, and right after it.

I now yield to the gentleman from New York [Mr. OSTERTAG].

(Mr. OSTERTAG asked and was granted permission to extend his remarks at this point in the RECORD.)

Mr. OSTERTAG. Mr. Chairman, the question of further expansion of the New Deal's pet socialistic experiment is again before the Congress. Norman Thomas, the Socialist presidential candidate, aptly described it in these words:

The TVA is the only genuinely socialistic act (in the New Deal)—a flower in the midst of weeds.

Let us take a look at the record and see how this socialistic flower has grown in the twenty-odd years since it was brought forth as H. R. 5081:

A bill to provide for the common defense; to aid interstate commerce for navigation; to provide flood control; to promote the general welfare by creating the Tennessee Valley Authority; to operate the Muscle Shoals properties; and to encourage agricultural, industrial, and economic



development; to the Committee on Military Affairs.

Perhaps it would be better to characterize it as a growth from little acorn to giant oak at the taxpayers' expense.

The bill (H. R. 5081) was introduced in the House on April 20, 1933, by Mr. HILL, of Alabama, and even though no direct mention was made of power in the stated purpose of the act there could have been little question in anyone's mind but that it was primarily a power bill being enacted by a subservient rubberstamp Congress with the thought that it would be the forerunner of other valley authorities throughout the Nation.

In the debate on the bill—CONGRESSIONAL RECORD, page 2178, 73d Congress, 1st session—Mr. Byrns had this to say:

Our great leader in the White House has had the vision to see what it will mean to the great section of my own State in the development of the great Tennessee River Valley Basin and he has stated that in his opinion, it is simply the forerunner of similar developments which will take place throughout the country. \* \* \* It means also, that if the investment is to be operated by the Government, it will present a yardstick by which the utility commissions of this country will know, in exact figures, just what it costs to produce power and thereby fix the rate to the great consuming public accordingly.

As to its purpose and cost, Mr. HILL, the author of the bill had this to say—CONGRESSIONAL RECORD, pages 2186–2188, 73d Congress, 1st session:

The Authority is given the power to build dams on the Tennessee River, and the act expressly lays down the policy that the Authority, in the construction of the dams, shall build joint power and navigation dams so that the power may in large measure take care of the cost of navigation.

The dream is that the operations of this bill will not only bring industrial development through cheap power but that, first and foremost, it will carry cheap power to the domestic consumer and more particularly to the farmer out on his farm, and provisions to insure that are in the bill.

If every dam that can be built on the river should be built, the estimate of the engineers made back in 1928 would give you a total cost of only \$209 million. It was thought at that time, even though we were then in the midst of a boom, that \$209 million was an excessive estimate. \* \* \* Therefore the Authority today could build every dam for less than \$15 million.

Now there we have the little acorn, ostensibly a national defense, navigation and flood-control project which would have incidental or surplus power to sell. At least that was their main contention at that time. Of course, many of those who voted for it could not have realized how big this little acorn was to grow; watered by the never-ending request for more and more of the taxpayers' dollars.

Illustrative of how the bill was pushed through the subservient House, just 11 days after its introduction and after brief hearings, the bill was being debated on the floor of the House. It was brought out under a special rule providing for only 6 hours of general debate with the further proviso that "only amendments can be offered by authority of the committee having charge of the measure, and for that restriction we have no apologies

to make. It is the purpose of the Committee on Rules, as far as we can, to provide restrictions whereby members of this Committee on Military Affairs, working in harmony with the administration, shall keep absolute control of this measure on the floor of the House."

In connection with the contention by Mr. Mapes that the TVA project would ultimately cost over \$1 billion, I repeat what Mr. HILL, the author of the bill in the House, had to say:

If every dam that can be built on the river should be built, the estimate of the engineers made back in 1928 would give you a total cost of only \$209 million. It was thought at that time, even though we were then in the midst of a boom, that \$209 million was an excessive estimate. \* \* \* Therefore the Authority today could build every dam for less than \$150 million.

So we see the original TVA "acorn" was a program for the development of the Tennessee Valley that was claimed to be primarily for navigation and flood control with incidental power development and an assurance by the author of the bill that all the dams that can be built on the river could be built for less than \$150 million.

#### THE GROWTH OF THE GIANT OAK AT TAXPAYERS' EXPENSE

The great delusion was not long in coming. At the 1934 hearings of the House Appropriations Subcommittee on Additional Appropriations for Emergency Purposes, prolonged attempts were made to elicit a definite answer as to what the total TVA project was going to cost. Dr. A. E. Morgan, the TVA Chairman, after much questioning, finally indicated that the project would cost about \$310 million with \$200 million for the dams and powerplants, \$100 million for purchase or construction of transmission lines, and \$10 million for fertilizer works. The little acorn was beginning to send out roots to tap the taxpayers; not for \$150 million as Mr. HILL, the author, contended, but more than double that amount.

Two years later Dr. A. E. Morgan in testifying at the House hearings on the first deficiency appropriation bill, 1936—page 134—said the total cost of the TVA program would be \$438 million. In 3 years the little acorn had swelled nearly 3 times the original size proclaimed by the author, Mr. HILL, to the House in pressing for the passage of the TVA act.

In these same 1936 deficiency bill hearings, Mr. Taylor asked Mr. Lilienthal—page 280:

Mr. TAYLOR. Do you have any limitation on the time when you will stop this dam-construction business? \* \* \* You have some termination in sight, have you not, or you really anticipate stopping somewhere?

Mr. LILIENTHAL. The testimony of the chairman the other day, and the report which will be filed on a unified development in a few days, gives the plan for the recommended development. Under that plan the last dam recommended will be completed in the fiscal year of 1943.

Mr. TAYLOR. We would like to be able to tell the House that there will be a stop somewhere.

But there was no stopping the growth of this socialistic acorn planted among the New Deal weeds. It was beginning to sprout now and send out roots for

more and more of the taxpayers' dollars to sustain its continuing expansion.

This pattern of growth continued, nurtured by the sunshine of the golden dollars and watered by the sweat of the taxpayers of the Nation. This little acorn has become an ever-spreading oak with an expected cost of projects now completed or under construction of over \$2 billion.

So today we find a TVA that has cost more than 13 times the amount its author told the House the TVA projects would cost.

We also find that through the years the original fable of incidental or surplus electric power production and sale has given way so that today the primary objective of a Federal power empire contemplated by its original sponsors stands out clear. I refer in part to the League for Industrial Democracy and the Public Ownership League who over the years worked with and through Senators Norris, Dill, and other public-power advocates with the objective of a national superpower system for the entire country.

When the TVA acorn was first planted and during the early years when it needed watering by the sweat from the taxpayers' brow, TVA was hailed far and wide as an honest and fair yardstick for the measurement of electric rates throughout the country. Its spokesmen also claimed that these TVA yardstick rates were going to provide for all operating expenses, taxes on power investment equivalent to local, State, and National taxes paid by private utilities, interest on the power investment at 3½ percent, depreciation at 3 percent of the power investment, and in addition would provide a net revenue for amortization of the entire TVA project cost over a 50-year period after the development of a market for the power. I refer you to pages 1947 and 1948 of the hearings on public utility holding companies before the House Committee on Interstate and Foreign Commerce, 74th Congress, 1st session; and pages 277–283 of House Appropriation Committee hearings on the first deficiency bill for 1936.

A look at the record shows how miserably TVA has failed to come up to the fair and honest yardstick criteria it had set and how it has failed by tremendous sums of providing sufficient revenue to cover the items its spokesmen claimed would be provided for.

TVA testified to the House Appropriations Committee in 1934 that given a 5-year development period, TVA then could amortize the project cost in 25 years. Eliminating the first 5 years we find that the 1939–54 total power revenue is reported by TVA to be \$821,900,000. The reported operating expenses, exclusive of depreciation and in-lieu-of-tax payments, totals \$375,700,000. Three and one-half percent interest on the average power investment each year amounts to \$250 million, depreciation at 3 percent equals \$214 million, and tax equivalent to average rate paid on plant investment by private utilities contiguous to the TVA area would take \$373 million, and amortization on a sinking fund basis would add \$93 million; or a



total revenue requirement of \$1,305,700,000. This is a shortage of \$484,800,000 in revenue needed to meet the TVA yardstick criteria. This contrasts to a TVA reported net income of \$253,914,000; a total difference of \$738,714,000.

Other costs that the taxpayers of the Nation have to provide for are interest on TVA construction work in progress—\$55 million—and interest on the costs allocated to other than power—\$138 million. Also, due to the fact that TVA has not been providing for interest and other items currently, a compound interest cost of \$80 million is encountered. These three items total an additional \$273 million.

The above analysis has been predicated on the premise that TVA cost allocations to power are reasonable and proper; however there appears to be considerable evidence that these allocations should be revised upward.

Crocodile tears are being shed by TVA proponents about not letting TVA use its own money to expand its steam plants so that it can continue to draw industry into the area on the basis of low subsidized electric rates.

The fact that the Congress has been bamboozled into not insisting that TVA meet its own rate criteria testified to before committees of Congress and has not required TVA to return to the Federal Treasury the interest costs to the Nation's taxpayers and a national tax equivalent based on the average percent of Federal tax paid by private utilities on their electric plant, is no reason for letting TVA try to fool the Congress and the public into thinking TVA has been a paying proposition.

Is there any reason under the sun why the TVA region should not pay through their rates their fair share of taxes for operating the Federal Government, why they should not pay interest on the funds that were provided by the Nation's taxpayers who have to pay such costs, and why they should not make the repayment of the cost of the projects as TVA said it would do?

With respect to the provision for taking care of future growth of electric power requirements in the TVA region, one of the first things should be a renunciation by TVA of the captive clause put in all contracts so that any and all customers, if they so desire, might be able to construct or otherwise provide for all or part of their future requirements. Also that the dictation of TVA as to what the retail rates shall be and how each municipality or cooperative shall run its own affairs should be eliminated.

Perhaps a majority of the people of the TVA region, if they were made aware of how miserable TVA has failed to meet the yardstick criteria TVA itself set up, and how they have not progressed at the rate the TVA ballyhoo has led them to believe, might want to take over and do for themselves in the American way.

As the editorial of the *Tupelo* (Miss.) Journal said on July 12, 1953:

The time has come for TVA to back up and admit that the fastest growth in the South actually has taken place outside the TVA area and we who live within its borders are still as a whole about the poorest people in America.

If the people in the TVA region could be made to realize how much better many other sections of the country have fared without the paternalistic care of the TVA octopus, perhaps they then would like to trade TVA off for a chance to be on their own. Maybe the subsidized low electric rates have come pretty high in other costs. Perhaps more than 1 farmer in 4 could have running water if they had not been under the social planning of the "Great White Father" for lo these twenty-odd years. Perhaps the shade from this giant oak has retarded as much as it has helped the growth on the land under its spreading branches. Perhaps its roots have sapped the will and initiative of its people to do for themselves. Anyway, TVA is a far cry from the tiny acorn it grew from twenty-odd years ago.

Mr. BUDGE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. BUDGE. I noticed a press account some 10 days ago to the effect that this same aluminum company, to which the gentleman has referred, had entered into a contract with a private utility in the Ohio Valley, to purchase power from that private utility at 4 mills. Can the TVA compete with that price?

Mr. TABER. Frankly, I am not competent to answer that. I would doubt very much if they could, if they charged the costs that should go into the project.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has again expired.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from New Jersey [Mr. HAND].

(Mr. HAND asked and was given permission to revise and extend his remarks.)

Mr. HAND. Mr. Chairman, I regret the partisan tone of the majority report. This is a bad precedent to set for the committee, which normally proceeds with remarkable harmony despite its differences.

The subcommittee report as written contains a number of misstatements of facts and erroneously indicates or infers that the minority members hold certain views with respect to the TVA and its operations.

The report states that the minority opposes the TVA using its own money to meet its power needs. The minority does oppose the use of TVA power revenues for the expansion of TVA power producing facilities without specific legislative authorization of the Congress. We also take exception to the implication that the TVA power revenues belong to TVA. Under the TVA Act, as amended, and the Government Corporation Act and limitations relating to TVA, the power revenues in excess of the amount needed for operating expense are to be returned to the Treasury or used for capital additions only upon specific authorization of the Congress. In other words these net revenues belong to all the people and their use should be controlled by the Congress and not by a majority of a board of three men.

The report goes on to say the only conclusion to be reached is that the

minority is simply opposed to the people of the TVA region having power to meet increasing needs. This is specious reasoning as the minority report is crystal clear that we are not opposed to the TVA region having all the power they want and need, but we think the time long past for the region to provide for its own needs without being subsidized by the taxpayers of the Nation. We believe that other sections of the country are tired of providing subsidized power for TVA to use to draw industry from elsewhere into the area. The Reynolds Metals action in contracting for more TVA power after having publicly announced plans to construct its own steam powerplant to furnish electric power for a new aluminum plant in the Ohio River Valley in northwestern Kentucky is TVA's latest activity along this line.

The report states that extraneous matters were raised during the hearings that were not pertinent to the problems of the committee. It is apparent that reference is made to the effort to place on the record the repeated failures of TVA to live up to the statements it made to the Congress and to the world since its inception, and to its failure to live up to statements it made to the United States Court of Appeals in trying to justify a constitutional right to go into the power business, and to the failure to set rates that would provide for all operating expenses, depreciation, interest at 3½ percent, local, State and Federal taxes equivalent to the rate paid by private utilities and to provide for amortization of the entire TVA investment as its directors testified it would do. We hold to this truth, that all these matters are not extraneous but are of utmost concern when TVA and its proponents come to the Congress for taxpayers' funds for the continued expansion of a \$2 billion development that its original sponsor in the House said would not cost more than \$150 million.

We are told that the authorization by Congress for TVA to buy out certain private utilities in 1940, made TVA the sole source of power supply for the area it serves. It is inconceivable that any rational person could read such an intent into the law. The report appears to imply that TVA has not expanded the area it serves since 1940. Actually TVA reports show that the TVA service was expanded in 1941, 1942, 1943, 1944, 1945, 1947, 1948, 1949, and in 1952.

The report says that there are only two methods of financing available to TVA at the present time. It does not point out however that there are several ways for the TVA area to provide for its own future growth in electric power requirements. Large industrial concerns such as Reynolds, Alcoa and others can construct their own powerplants as many of them have done in the past in other areas of the Nation. The major distributors are of a size to justify construction of their own powerplants as Memphis is doing. Also TVA could release all the distributors from bondage and permit them to purchase power from adjacent utilities or to construct their own powerplants if they so desired.



A justified change in distributors electric rates to discourage future growth in house heating load now approaching 1 million kilowatts—or more than five times the power TVA furnished AEC for the production of materials for the first atomic bomb—is another method of relieving the demand for more TVA power. TVA revenue for this house heating power is considerably less than cost and justifies such a rate change.

The committee report implies that a lower court action on a case and Congressional approval of funds for steam plant construction by TVA settles the question as to the constitutionality of the construction of steam plants by the Federal Government. I am sure the lawyers on the committee know full well that until the matter is ruled upon on its merits by the Supreme Court of the land, the question of constitutionality has not been settled.

The committee report talks about TVA's statutory authority to use power proceeds for the construction of new power generating units. We have not questioned the use of such funds for new generating units but rather the authority to use such funds for that purpose without specific approval by the Congress. We disagree with the inference that Congress has not questioned the right of TVA to use such funds for constructing new generating units without specific congressional approval. Even some of TVA's own proponents in the other body have specifically stated as recent as 1954 that TVA cannot spend \$1 of such power revenues for such purpose without congressional approval.

The funds specifically authorized by Congress for TVA steam-plant construction in the past more than provides for all vital defense installations in the TVA area. To suggest that the denial of funds to construct additional units to provide for future growth in TVA area loads such as house heating, new loads enticed from other areas, et cetera, will result in denial of power to defense installations is without foundation. Of greater moment and concern to national defense is the hydrostorage operation and coal reserve policy of TVA that left 3 million kilowatts of steam-plant capacity with only 12 to 16 days' supply of coal on hand when the normal industry reserve runs from 90 to 120 days supply. This negligence warrants careful investigation.

The report also speaks of the administration making interest-free loans to private utilities—in the form of tax amortization—totaling over \$2 billion. There has been so much misrepresentation on this score that I think it time to "look at the record."

The latest record shows that a total of only \$1,333,000,000 of tax-amortization certificates were issued by this administration under the law passed by a Democratic-controlled administration and Congress in 1950; whereas \$1,566,000,000 of these tax-amortization certificates were actually issued by the previous administration.

Public power advocates attempt to compare these tax-amortization certificates to the taxpayer's funds furnished

to the TVA. This is specious reasoning. The ultimate gain to the utility is practically nil. In fact in relation to a normal construction program it is considerably more costly. These rapid tax-amortization certificates provide for a small reduction in Federal taxes for each of 5 years and an increase in such taxes for the following 15 years. Contrasted to this, TVA and other public power systems pay no Federal tax.

There is not a Member who signed the minority report who wants to destroy the existing TVA system. Neither do we want to subsidize them with Federal funds, and tax-free operations, enabling them to continue competition for industries from the very areas which pay those subsidies.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. WHITTEN].

(Mr. WHITTEN asked and was granted permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Chairman, of course, I differ entirely with my friend from New York [Mr. TABER] in what the facts are in this case. The record shows that the Reynolds plant, to which he refers, is an expansion of operations which they have had since 1940 in Alabama. It further shows the rate charged the Reynolds Metals Co. is one-fourth of 1 mill per kilowatt-hour higher than other companies are paying for current from a private utility.

I would like to show the facts with regard to aluminum production in the TVA area.

The Tennessee Valley's aluminum production—including Reynolds' recently announced expansion, to which the minority statement refers—is a gradually diminishing share of the national total.

Before TVA was created the largest aluminum plant in the country was in the Tennessee Valley. The Aluminum Company of America built it there a generation ago to use the waterpower it was developing on the Little Tennessee River.

In 1939, before Alcoa's first competitor built its first aluminum plant, 42 percent of United States aluminum capacity was in the Tennessee Valley. Last year the figure was 28 percent. After the aluminum plants now under construction and recently announced, including Reynolds, are built, about 25 percent of United States aluminum capacity will be in the TVA area.

#### NEW PRODUCTION (THROUGH 1957) AS REPORTED IN THE PRESS

Oregon: 54,000 tons, Harvey Aluminum Co.  
Montana: 60,000 tons, Anaconda Aluminum Co.

Texas: 75,000 tons, Alcoa.  
Ohio Valley: 60,000 tons, Olin Mathieson Chemical Co.; 220,000 tons, Kaiser Aluminum Co.; 120,000 tons, Alcoa (per Wall Street Journal, March 15, 1956).

Tennessee Valley: 120,000 tons, Reynolds.

The Tennessee Valley's share of added capacity is about 17 percent. The other new production listed above are plants at new locations, whereas Reynolds is an expansion of an existing plant. The Reynolds plant has been located in Alabama since 1940.

The power rate was not the principal concern in Reynolds' consideration. The

company informed TVA that comparable rates could be had elsewhere and that they could achieve lower costs if they constructed their own powerplant. Reynolds chose not to construct their own plant largely because of time schedules. Presumably they have plans for later development of their properties near the Ohio River. There are, of course, important advantages in expanding at an existing location.

In connection with power rates, it should be noted regarding the location of Kaiser Aluminum Co. in the Ohio Valley that—as published in the Electrical World of December 12, 1955, page 88—an A. G. & E. spokesman said the final cost of power to Kaiser would be about 4 mills per kilowatt-hour. TVA's rate to Reynolds will be about 4¼ mills per kilowatt-hour, according to testimony in the hearings before the committee.

Olin Mathieson Chemical Co. in entering the aluminum industry was aware of possible locations in the TVA area. They chose to locate in the Ohio Valley, presumably at a comparable or lower power cost.

The power costs for Reynolds' plant in Arkansas and for Alcoa's plant in Texas have both been reported to compare favorably with rates that the TVA area offers. It is abundantly clear that other areas now can and do offer power to large power-consuming industries at costs which are about the same as TVA rates.

The chief consideration is not power rates, but availability of a power supply. If any region is to continue to advance, electric power must be available to meet new needs.

But, my prime purpose is to point out to the Congress the language which the gentleman from New York [Mr. TABER] would indicate prohibited what is sought here. In the first place, what the TVA has announced to the Congress that it plans to do under the law is to put new units in existing projects to meet constantly growing needs in the area that they have heretofore served and where they are the only source of supply to would use coal.

As presented to the committee, three steam units at existing projects were in the program submitted by the President, with initial appropriation recommended for one. Two other units at existing projects were recommended by TVA. All would use coal.

It so happens that I was on the committee when the language quoted by the gentleman from New York [Mr. TABER] was written and I wrote the final draft of the language as it appears in the act. I would like to read it to you:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of the Congress.

At that time nobody said they wanted to stop the TVA from building additional units to existing projects to meet the load in an area where the TVA was the only utility; no one on either side ever contended that they wanted to do that. We carefully wrote language saying that TVA could not enter upon the



construction of a new big dam without coming to Congress for authority to build it; but we very carefully provided language which in effect said that even though they could not use their own funds to do that, yet if some disastrous flood should wash out one of these big installations, or an atomic bomb or something else of that nature, TVA could use its own money even to replace such a major project; but in the absence of something like that we said that where new projects were concerned the TVA would have to come to Congress for approval. Insofar as TVA's adding units to existing plants and all the other things that are essential to it, they were not prohibited and you will find no word by anyone even hinting that such member wanted to prevent new units at existing projects. All questions were directed toward making sure that such additional units at existing projects were not prohibited by the language quoted. All members joined in satisfying those who raised such questions that such was not the intent.

I would like to present in detail the other side of what the minority sets out in its report.

The minority argues that the word "projects" as used in the Government Corporations Appropriation Act, 1948, extends not only to new plants, but also to new units at existing plants, despite the agreement to the contrary expressed during the debate on this section of the bill by Representative Ploeser, who was in charge of the debate on behalf of the subcommittee which wrote it. In seeking to explain away Representative Ploeser's statement at the time, the minority now attempts to find in his words a meaning which is not there.

The legislative situation at the time Mr. Ploeser made his remarks did not leave any question as to what those remarks meant. The House Committee on Appropriations had reported out the Government corporations appropriation bill, with the following language, which was included without change in the bill as passed:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress.

The pertinent portion of the debate on this provision appears at volume 93, CONGRESSIONAL RECORD, pages 6827-6828.

During the debate, Mr. KEFAUVER suggested that an amendment might be desirable to make entirely clear that this language, while requiring that TVA obtain congressional approval only "before beginning any new dam or constructing any new steam plant," would not require such approval as a condition for, in Mr. KEFAUVER's words, TVA's "buying a generator, which would be a new generator, and placing it in some of the stalls they already have where they can use additional generators." Mr. GORE, a minority member of the subcommittee which wrote the language, assured Mr. KEFAUVER that no amendment was necessary because the language as drafted by the subcommittee was intended to extend, and would extend, only to new

plants and not to generators at existing plants. Congressman GORE stated in this connection:

As the bill was first drafted, the word "project" was "facility." I persuaded the subcommittee to change the word "facility" to "project" for the specific reason that a facility might be interpreted to be a much smaller installation, not only a generator but a small part of a generator. By the word "project," I think it is clear that the committee intends, and I believe it to be legislative intent that it applies only to new multipurpose dams, or a hydroelectric dam or a major steam plant. It is not the intent, as I understand the committee, nor is it the intent of the language nor the portent of that language, that it would be restrictive of the smaller items such as generators, substations, transmission facilities, and other such operative facilities.

Mr. Ploeser then joined Mr. GORE in assuring Mr. KEFAUVER that no amendment was necessary to accomplish what he had in mind, and expressed complete agreement with what Mr. GORE had said. Mr. Ploeser's statement was as follows:

Mr. PLOESER. I see no reason for any such amendment. I think the gentleman from Tennessee [Mr. GORE] has expressed the committee's intent. The language is rather explicit, "Except for replacement purposes" means maintenance or replacement of facilities that are necessary, or the replacement of machinery which has already been arranged for, not projects. I see no need for the amendment.

That everyone at the time recognized Mr. Ploeser's statement as one of agreement with the position taken by Mr. GORE is clearly demonstrated by the fact that on the strength of his statement Mr. KEFAUVER dropped the question of an amendment.

The minority now says, in effect, that the third sentence in Mr. Ploeser's statement is unclear and is consistent with the position for which they now contend. This sentence is unclear. But the sentence immediately preceding—"I think the gentleman from Tennessee [Mr. GORE] has expressed the committee's intent"—is perfectly clear, and the last sentence, assuring Mr. KEFAUVER that his amendment was not needed, is equally so. Mr. Ploeser cannot have intended clearly to state one thing at the beginning and again at the end of his brief statement and something different in a sentence sandwiched in between.

Further, during the subcommittee hearings on the Government Corporations Appropriation Act for 1949, Congressman Ploeser himself confirmed what he had said a year before. In the course of these hearings, he expressly agreed with a statement of Mr. WHITTEN on the meaning of the word "project" while at the same time raising a question as to the meaning of other language in the 1948 act relating to amortization payments. The colloquy was as follows:

Mr. WHITTEN. Well, I mean this committee wrote the language, this committee had clearly in mind, according to my own recollection what they intended.

A project meant a new dam, a steam plant, or a new operation, and they did not have in mind a facility, as we then understood it. That is, the placing of a turbine or a generator, or the replacement of one in a going

dam, or going power-producing projects or units.

Mr. PLOESER. I think I can agree with what Mr. WHITTEN has said as to the intent of the committee on the term "project," in last year's appropriation bill, but we find that intents are not always understood alike [with reference to the requirements of the 1948 act concerning amortization payments]. (Hearings before the subcommittee of the House Committee on Appropriations, 80th Cong., 2d sess. (1948), p. 596.)

The President has agreed that there is a power shortage in that area; the Bureau of the Budget has agreed there is a power shortage in that area. Mr. Vogel, the President's appointee, says that you need an increase in power production in that area and all three have agreed that TVA must take action toward meeting the need.

Again I say, all that is involved today is the adding of units to existing projects. I respectfully submit that the language which was quoted, which I have read, was written with that intent, and if you read it you can clearly see that that is what it does say. You should not consider extraneous statements or take portions out of context, as various Members have done, but if you will read the whole statement and the whole discussion you will find that nobody even contended that they could not use their revenues to meet this need.

I would like to say further that I most respectfully differ with my colleague the gentleman from New York in the matter of returns from TVA. They return 4 percent of the total invested. They return the full amount of money invested in power projects to the Government. Over the 40-year period the money paid out in dividends and paid into the Government will amount to the entire cost of these projects and they will still belong to the Government.

I respectfully submit that the greatest increase in aluminum production in this country has been outside of the TVA area. As I have pointed out the amount of aluminum produced in the TVA area has gone down from 42 percent of the national total to about 25 percent during the period he talks about.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Tennessee.

Mr. COOPER. Is it not true that the statements contained in the committee report reflect the exact truth and the true facts?

Mr. WHITTEN. It is; and I would say also that it is the opinion of the committee and it is my opinion that the right has always existed, and I may say, has been used. The committee explained that it was not making the appropriation recommended by the President because TVA's revenue funds could be used for that purpose.

Mr. Chairman, so much misleading information has been given about industrial growth in the TVA region that I feel compelled to present the facts of the case in detail. First, the industrial growth of the TVA area has not been, and is not being, achieved at the expense of other regions of the United States.



Established industries are not migrating to the TVA power service area from other parts of the country enticed by low power rates. Such charges are made repeatedly in an effort to arouse hostility to TVA in those areas where industrial growth has been of long duration, but which are now affected by competition with other regions of the United States. No evidence has ever been cited to prove the claim that industries are moving to the TVA power service area. The only responsible data are contributed by TVA itself. In 1953 TVA surveyed its area and discovered that in the preceding 12 years only a dozen small enterprises, employing in all less than 700 persons, had moved to the TVA area from other locations. None was a large power user, and none had moved from New England, the area most frequently suggested as the loser to the TVA area. At the same time and as part of the same picture of normal industrial mobility certain industries were found to have moved away from the Tennessee Valley to establish their operations in other regions. Last year another check was made and out of 244 new industries in the Tennessee Valley, only one was found to represent a relocation. This plant makes bicycles, and the cost of power is a minor concern to its management. The industrial growth of the TVA area consists of new industries, additions to our national productive capacity.

Second. Actually there would be no reason to expect large-scale movement of industry to any area just because savings in power costs might be achieved, for, while the availability of power is essential to all industries, the cost of power is an important factor to only a few in considering plant locations. One of these is aluminum. Power costs are important to that industry, and in 1939, 42 percent of the aluminum capacity of the United States was located in the Tennessee Valley. It was located there prior to TVA, and hydro sites had been developed by Alcoa to power its operations. By last year with the expansion of aluminum production the proportion had been reduced. Only 28 percent of the total national capacity for aluminum was located in the TVA area. When announced aluminum production plans are completed, about 25 percent of the United States aluminum capacity will be located in this area, surely not a disproportionate share, and no evidence of an enticement policy by TVA.

What has happened is that, as expanded production has required the aluminum industry to move to the use of steam power, other progressive power systems have learned from TVA's example and have found ways, including use of tax amortization certificates, to make power available at lowered cost. In Texas, in West Virginia, up and down the Ohio Valley, aluminum plants are springing up based on a reported 4-mill power rate from privately owned plants.

Third. The TVA power policies have not harmed—in fact they have directly benefited—the industries of other areas and the people who depend on those industries for their livelihood. TVA's power rates to the homes and farms of

the area have stimulated a rise in electricity use of the average domestic consumer from 600 kilowatt-hours in 1933 to 5,240 kilowatt-hours in 1955. That increase, together with the use of electricity by the industries located in the valley, has required the addition of generating capacity at a faster rate than most power systems have considered necessary. This has helped rather than harmed industrial growth of other areas, for the purchase by TVA and its distributors of electrical equipment, and the purchase of electrical appliances by TVA power consumers, has meant employment, wages paid and profit earned, in other sections of the country.

In the decade since World War II it is estimated that TVA's power distributors and the consumers they serve have spent about \$2.5 billion for equipment and appliances, most of it outside the region. Such expenditures will continue. The *Electrical World* of December 26, 1955 (p. 57), for example, published an REA estimate of farm purchases of electrical equipment. It indicates that between 1956 and 1960 such purchases in the State of Tennessee are expected to exceed those for every State in the Union except California.

The purchases of TVA itself, as distinguished from its distributors and consumers, outside the Tennessee Valley total almost a billion dollars for the years 1934–55. The investment made by TVA is located in the region it serves, of course, and power consumers of the area will pay back the Government's power investment, but the money spent by this Government agency is not all spent inside the region. Many of its orders for steel, for generators and turbines, for complicated equipment, are filled outside the region.

Fourth. In addition to the considerations mentioned above, clearly industrial growth in the TVA area contributes to national prosperity and strength. Industrial growth means jobs in the TVA area. It means a rising standard of living, and therefore jobs in other regions as better markets for all types of production develop. This interrelation of regional prosperity is not confined to the conspicuous example of appliance use cited above. It includes grain, and oil, and automobiles. Industrial growth has not only increased commerce between regions, it has enabled the people living in the area to bear a larger share of the support of the whole Federal establishment. In 1934, the 7 States which lie in part in the Tennessee Valley provided only 3.4 percent of the total individual income tax collections; in 1954 the proportion was more than 6 percent. Over the years 1933–54, the seven Tennessee Valley States have contributed \$7.5 billion more in individual income taxes than they would have contributed if the proportion had remained at the 3.4 percent level of 1933.

This interrelation of regional welfare has been recognized by responsible spokesmen of the more highly industrialized States. For example statements made by official of two Eastern

States at the National Forum on Planning and Development Problems and Techniques, held in Denver, Colo., June 7–10, 1955, can be cited. Mr. Edward T. Dickinson, formerly a research assistant to the chairman of the board of United States Steel and now of the New York State Department of Commerce, said this:

We would like to consider New York State a seedbed for industry and when an industry grows, say in New York City, and has not the space, we think it is a good thing that they move out to areas where they have plant space in which to work. We would hope that a good many would move upstate into our own territory or they'd move to Staten Island, which is going to be opening up and will be a vast new industrial community for smaller plants, but if they move to a new vicinity or community of the south, we think it is a good and healthy thing because whatever growth we have in the United States cannot help but improve the economy of New York because we have centered there so many companies that do supply industrial materials and services—and services I cannot emphasize too much—to the total economy of this country. So we are anxious to help all the States grow industrially; it is to our own self-interest. (Proceedings 10th Annual Convention Association of State Planning and Development Agencies, Washington, D. C., p. 41.)

Mr. Joseph E. McLean, commissioner of conservation and economic development, New Jersey, said:

Yet who can seriously doubt the rewards of TVA have spread far beyond the communities of the Tennessee Valley? The higher income of the people of the Tennessee Valley has created a vast new market for the industries of the other regions.

The last point is especially important to us in the East. Our industry is highly specialized. Our workers have been trained to produce a long line of complex goods, such as chemicals, air-conditioning units, machine tools, airplane engines, etc. Any development in other regions that raises income levels and expands the market for these products inevitably benefits us and benefits us directly.

All of this leads me to suggest that we must place increasing emphasis on the national interest and seek to minimize interregional and interstate rivalries in considering proposals for the development of natural resources in the United States. (Ibid., pp. 45–46.)

Fifth. Industrial growth is being experienced in all sections of the country (the percentage of growth will of course be higher in areas where industrial development was delayed for many years). The May 1955 "Monthly Review" of the Federal Reserve Bank of Boston reported:

Manufacturers plan to spend \$200 million for new plant and equipment in Massachusetts in 1955. This is 20 percent more than they spent last year. Capital expenditures in the hardgoods industries are expected to rise almost three times as much as in the nondurable-goods industries.

#### CONCLUSION

The case is clear, and the statement of the minority commenting on the proposed supplemental appropriation to add to TVA's generating capacity is not based on an examination of the facts of record. The statement contends that low industrial power rates are enticing industries to locate in the Tennessee Valley. They imply that this is unfair, that citizens in areas thus disadvantaged



are required to furnish the capital needed for TVA expansion. They claim that TVA power operations are subsidized, and imply that Congress never intended TVA to furnish power for industries. Every assumption and statement is incorrect, and in fact none of them is relevant to the problem under discussion.

It is true that the President recommended an appropriation of \$3,500,000 to commence construction of an additional unit at the existing John Sevier steam plant. The committee as well as the minority disapproved the item, but for different reasons. The committee points out that no appropriation is required, that TVA can proceed to finance this and other units out of its earnings. Under this plan TVA will enhance the value of the Government's investment, increase its earnings, without the appropriation of additional funds to be provided by the taxpayer.

With respect to the other points the truth is that while power rates in the TVA area are generally at a lower level than the level of rates charged by private companies, the sharp difference lies in the rates charged by TVA's distributors for electricity service to the homes and farms of the Tennessee Valley. This has made the TVA power service area the best market in the country for the sale of electric appliances, manufactured almost entirely outside the region. It has been a boon to other areas. With respect to the importance of power rates as a factor in plant location, the fact is that power costs are decisive in plant location for only a few industries, and the record shows that in the case of the particular industry—aluminum—selected for comment in the minority statement, the enticement of low rates has not been offered by TVA, but by private power companies over the past 15 years. Power costs were not the controlling factor in the announced expansion plans of the Reynolds Metals Co. which began its aluminum production in the Tennessee Valley in 1940.

The TVA power system is not subsidized. Its earnings cover all costs of operation, including depreciation, and provide in addition a return on the Government's investment which has averaged 4 percent over the years. During the same period the cost of money to the Government has averaged about 2 percent.

The TVA Act clearly contemplated the industrial development of the area, a development basic to its economic growth, and from the beginning there has been steam generating capacity on the TVA system. With the approval of the Congress TVA has purchased and has constructed steam plants, and that power has been available from the beginning to use in the development of the economy of the area for the benefit of the people and the nation. The minority statement is incorrect.

Those who would discourage industrial growth in the TVA area similar to what is going on elsewhere forget that the privately owned plants which are large power users are vital to national defense.

Any action to prevent expansion of the production of the chemical and metallurgical industries located in the Tennessee Valley would put a ceiling on our national resources for defense.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, I thank my colleague the gentleman from Mississippi [Mr. WHITTEN] for yielding me this time.

I certainly am in agreement with the statement which he has made, and I most respectfully disagree with the statement of my colleague the gentleman from New York [Mr. TABER] who preceded the gentleman from Mississippi [Mr. WHITTEN].

The major consideration—and I do not think it is controverted by the minority—is that there is no dispute about the need for additional capacity to meet the power requirements of the area; there is no dispute in this matter about the need for additional power as indicated by Chairman Vogel, of the TVA Board, who was appointed by the President. Following General Vogel's confirmation, he took a new survey and a new look at TVA's power needs. It was determined that some six new starts would possibly be required.

The full Board unanimously recommended to the Bureau of the Budget four new starts be authorized. This was a unanimous action. Following this report to the Bureau of the Budget, we know that the Bureau did not recommend any new starts last year, but did recommend the Dixon-Yates plan substitute power for TVA area and defense needs. This scheme was fought out and defeated. The President withdrew or canceled the contract. Thus, no new starts were authorized and no additional power supplied the area. There can be no dispute or controversy that additional power is needed and will increasingly be required in the area. The President himself has recognized this fact by recommending a supplemental item for beginning construction of the Sevier plant.

Since the committee has disallowed this \$3½ million, the majority in its wisdom has properly stated in the report that the TVA can use some of its corporate funds to begin construction of this new project that is needed by TVA, needed by the people, and needed for national defense. The gentleman from New York [Mr. TABER] has endeavored to say that TVA does not have such authority. It has been historic in the operation of TVA that the Board can use its corporate funds for certain facilities, for additional units at existing plants where they are required. To build a new system—a new start—they would have to get congressional approval. Like in the case of the proposed Fulton plant last year. Congressional approval has not been required for adding units or facilities at existing plants. The law gives them that authority.

The gentleman from New York [Mr. TABER] quoted from the Government Corporations Act. I should like to quote from the TVA Act, which says, in effect, that commencing on July 1, 1936, the TVA power proceeds shall be turned into the Federal Treasury, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the construction of and in the conducting of its business of generating, transmitting, and distributing public energy. In other words, the act itself empowers the authority, gives the right, to use certain of its corporate funds. Here is the language of the act itself:

Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation, including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in conducting its business in generating, transmitting, and distributing electric energy (16 U. S. C. 831y).

In addition to the act giving authority to do that, there have been several instances in which this specific authority has been used for completing units—for instance, Kentucky unit No. 5 and certain of the Douglas Dam units and other facilities.

I should like to point out that in addition to this authority, custom and usage has established TVA's practice in this field. Also, the congressional intent has been spelled out on this floor more than once. The history of the debates will show the congressional intent was that they were so empowered. In addition, I might point out that the Federal Power Commission uses the word "projects" in a broad sense. There have been many interpretations of the use of the term "projects" by the Federal Power Commission and in other Federal legislation such as the Bonneville Act, the Reclamation Bureau and others in which there are very similar usage of the term implied here.

So I think there is no doubt but that the position taken by the gentleman from New York is in error and that TVA does have power to use its corporate funds for existing facilities. I certainly think the record should be made clear on that point.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Tennessee.

Mr. BAKER. All I would like to comment on is with reference to the legislative situation as it is. With the language in the report and no amendment to be offered, does not the gentleman feel we from the TVA region should be satisfied at least for the moment?

Mr. EVINS. I must agree with the gentleman that any crippling amendment should not be offered; if offered, it should be rejected.

Considering all the realities of the situation, the Appropriations Committee disallowed the \$3,500,000 for John Sevier



steam plant and recommended that the TVA follow its normal business procedure and use its accumulated corporate funds, as it has in the past, to finance the beginning of this unit.

In its report, the committee agreed that no new arguments or novel considerations have been raised in connection with this proposal and it reaffirmed the belief that TVA should use its revenues to the extent that they are available in order to meet the power requirements of the service area.

This agency now has corporate funds in excess of \$58 million. Certainly a portion of these funds should be used for the beginning of this project without further delay. The power revenues of the TVA should not be drained off and this great agency weakened by those who would deny it any means of support.

TVA is now repaying into the Treasury the total cost of the investment in its power system. Over a 40-year period, the agency will repay \$348 million. For the coming fiscal year the TVA Board of Directors proposed repaying \$35 million toward the debt. This payment would have been in line with the requirements of Congress as set out in 1948. However, TVA recently was confronted with the unprecedented demand that it repay \$75 million into the Treasury during 1957. This payment would put TVA 21 years ahead of the legal requirement, or, in other words, bring its total repayment schedule up to the amount that Congress required TVA to have repaid by 1978.

Now there is no other explanation or excuse for this unprecedented demand on TVA's funds than to conclude that the present administration, for reasons not announced, is attempting to weaken TVA—tearing from this agency the corporate funds which are necessary for sound operation.

Some have termed the demand a milking action. Perhaps it is. But regardless of what we call it, the effort is designed to weaken and eventually destroy TVA. This most certainly is not a part of the continued expansion and maximum efficiency operation that administration leaders promised before the 1952 elections.

In this new and latest attempt to destroy TVA, the administration has at least brought one fact to light. That is that even with the arbitrary demand for the \$75 million repayment, it is a striking tribute to the financial success of this agency and proof that TVA can pay its own way.

By June 30, TVA will have repaid \$186,500,000 back into the Treasury, and the additional demand repayment by the administration of \$75 million would bring the total paid to \$261,500,000 on this investment.

Now the question of TVA's statutory authority to use power proceeds for the construction of new generating units was raised by certain members of the committee—traditional foes of TVA. This question, I should add, is not new and has been understood and approved by Congress for many years and in many instances.

There is absolutely no question of congressional intent or the legality of this

method of financing additions to existing TVA facilities. This was brought out fully in a recent opinion prepared by Joseph C. Swidler, chief counsel for TVA, which, in brief, concluded that the legislative history of the act, the congressional intent, court decisions and the statutes entitle TVA to expend its corporate funds for individual generating units at existing projects and facilities.

The TVA Act, approved in 1933, stated that the agency should pay into the Treasury each year money derived from the sale of power or other products, except, and I quote, "such proceeds as in the opinion of the Board of Directors shall be necessary for the corporation, in conducting its business in generating, transmitting, and distributing electric energy."

While TVA has always come to Congress with requests for funds to begin construction of new projects, such as dams and steam plants, it has often used its own corporate funds to complete construction of units already started.

Such a practice was followed in completion of the Watts Bar steam plant, the Apalachia, and Ocoee No. 3. In the same manner TVA has used its power revenue to begin installation of new generating units at existing projects, exactly like the recommendation now before the Congress for the John Sevier plant. Corporate funds were used to begin construction of Kentucky unit No. 5, Fort Loudoun units 3 and 4, Wheeler units 5 and 6, Douglas unit No. 3, and certain units at Wilson Dam.

It is argued that the Government Corporations Act of 1948 curtailed or limited TVA's authority to use its corporate funds in the manner employed in the past. This argument apparently hinges on the wording of the 1948 act which says, and I quote:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects except for replacement purposes, unless and until approved by Congress.

But, in close examination of the hearings on this reuse-of-funds proposal, as well as the CONGRESSIONAL RECORD during debate, it was clearly brought out and understood by members of the committee that the language used in the 1948 act was not intended to alter the use of TVA's revenue in this connection. It was clearly demonstrated during 1948 and again in debate during 1949 that the term "project" was specifically stated to mean complete dams or steam plants, and not individual generating units. The Federal Power Act likewise uses the term "project" in a broad sense and it is defined there to mean complete units and this definition has been upheld by the Courts.

Mr. Swidler states in his opinion, which upholds the right of TVA to use its corporate funds for this purpose, that, and again I quote:

If Congress, in the Government Corporations Appropriation Act of 1948, had wished to prohibit use of TVA's revenues for construction of individual generating units, as distinguished from new dams and steam plants, the term "new power-producing projects" would have represented a singularly

inappropriate description of the prohibition. There is nothing in the legislative history to indicate that the term was used in other than its normal sense; on the contrary, the legislative history shows explicitly that it was used in this sense.

We have had a span of many years' use when the Congress realized and understood what the term "project" meant and Congress was also well aware, and approved, of how TVA was using its corporate funds. It is only in the last few years that the enemies of TVA, notwithstanding their outward apparent show of friendship for TVA, have tried to cripple and thwart TVA at every turn, by throwing the weight of every imaginable road block in the path of TVA's progress. These include the denial of needed appropriations for TVA, the cutting drastically of its budgets, proposing restrictive and limiting self-financing proposals, Dixon-Yates, and all the rest, and now the denial of use of TVA's power revenues for facilities essential to monitor its operations.

This latest proposal is contrary both to law, congressional intent, court interpretation as well as usage, practice, and custom. This latest crippling effort should be resoundly defeated.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, I address myself to chapter 8, which is the chapter presently under general discussion. I presume the Members of the House, Mr. Chairman, have read the majority report which appears on page 32 of the report accompanying this bill, and I ask them also to read carefully the minority report which begins on page 50 of the same report, which is House Report No. 1897.

Mr. Chairman, when this bill was under consideration, the committee denied the TVA request for \$3,500,000 to provide for a start on construction of the fourth electric generating unit at the John Sevier steam plant. The committee report states at one point that the committee believes TVA should use its revenues, to the extent they are available, to add units at existing plants. At another point, the committee recommends that TVA use power revenues to construct new generating units. The committee, however, did not give a specific direction to TVA to use its power revenues to construct new generating units. Had the committee given such a specific direction, it would undoubtedly have been declared null and void as contrary to the legislative restriction on such use without specific legislative approval by the Congress.

The committee report would seem to imply that Congress has accepted the interpretation, handed down September 10, 1955, by TVA's own attorney, that TVA has statutory authority to use power proceeds for the construction of new generating units without further legislative approval. Opinions expressed in previous Congresses, by TVA proponents among others, do not support such a contention, as the following examples show:

All the net earnings, all the proceeds, all the properties are subject to the disposition of the United States Congress. (P. 10005, CONGRESSIONAL RECORD, July 14, 1954.)



The Congress upon each occasion, in its appropriation bills, has had the disposal of the net earnings. (P. 10005, CONGRESSIONAL RECORD, July 14, 1954.)

All the earnings of TVA are within the disposition of the Congress each year. (CONGRESSIONAL RECORD, July 14, 1954, p. 10005.)

The TVA cannot start one single new power facility, it cannot put \$1 of its income or any other funds into any new power facility, except by and with the advice and direction of Congress. (CONGRESSIONAL RECORD, July 14, 1954, p. 10005.)

Congress has control of every dollar which comes into the TVA, and Congress can decide how much shall be used for plant improvement, and what amount shall go into the Treasury. (CONGRESSIONAL RECORD, July 14, 1954, p. 10009.)

The legislative history of the amendment to section 26 of the TVA Act leaves no doubt that Congress intended that TVA should have no authority to use power revenues for constructing new generating units without the specific approval of the Congress.

Section 26 of the original TVA Act reads as follows:

SEC. 26. The net proceeds derived by the Board from the sale of power and any of the products manufactured by the corporation, after deducting the cost of operation, maintenance, depreciation, amortization, and an amount deemed by the Board as necessary to withhold as operating capital, or devoted by the Board to new construction, shall be paid into the Treasury of the United States at the end of each calendar year. (TVA Act of 1933.)

The section, in this original form, did give the TVA Board the authority to use net revenues for new construction. This section was amended in 1935.

In 1935, after extended hearings before the Military Affairs Committee, H. R. 8623 was passed by the House and among other things, amended section 26 of the TVA Act as follows:

SEC. 26. Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power and of the products manufactured by the corporation, and from any other activities of the corporation, including disposition of any real or personal property, shall not be expended by the Board except in consequence of annual appropriation thereof by the Congress, and the appropriation of such proceeds is authorized to meet the cost of operation, maintenance, depreciation, amortization, interest on bonds, and operating capital or for improvements, betterments, or the acquisition of facilities necessary to carry out the purposes of this act: *Provided*, That nothing in this section shall be construed to prevent the use by the Board, after June 30, 1936, of proceeds accruing prior to July 1, 1936, for payment of obligations lawfully incurred prior to such latter date.

This amendment, while it authorized TVA to use its revenues for the construction of new facilities and other purposes, at the same time required annual approval of such use by the Committee on Appropriations and the Congress.

The Senate in 1935 proposed to amend section 26 of the TVA Act to read as follows:

SEC. 26. The net proceeds for each fiscal year derived by the Board from the sale of power and any of the products manufactured by the corporation, and from any other activities of the corporation, including disposition of real or personal property, after deducting the cost of operation, maintenance,

depreciation, amortization, interest on bonds, and an amount derived by the Board as necessary to withhold as operating capital or to be devoted by the Board to new construction, improvements, betterments, or the acquisition of facilities to carry out the purposes of this act, shall be paid into the Treasury of the United States at the end of each calendar year.

This proposal, like section 26 of the original act, would have permitted TVA to use its revenues to construct new generating facilities or other capital additions without any further approval of the Congress.

However, when the committee on Conference submitted a conference report, that report contained the following wording for the proposed amendment of section 26:

SEC. 26. Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling, and distributing fertilizer and fertilizer ingredients. A continuing fund of \$1 million is also expected from the requirements of this section and may be withheld by the Board to defray emergency expenses and to insure continuous operation: *Provided*, That nothing in this section shall be construed to prevent the use by the Board, after June 30, 1936, of proceeds accruing prior to July 1, 1936, for the payment of obligations lawfully incurred prior to such latter date.

This amendment was approved by both Houses and is the present section 26 of the TVA act as amended. It confirms the feeling that Congress did not intend TVA to spend its money for capital improvements without specific legislative approval.

The Statement of the Managers on the part of the House had this to say about section 10 of the conference action which amended section 26 of the original act:

Section 10 is modified by preserving the principle of congressional control through appropriations over the activities of the Board. But an exception was made as to funds necessary to carry on the business of generating and distributing electricity and of manufacturing and selling fertilizers. It is manifest that long-term contracts could not be made if the power of the Tennessee Valley Authority to carry out those contracts is dependent upon appropriations by Congress. Furthermore, we have provided that a fund of \$1 million may be constantly kept on hand by the Corporation to meet emergencies, such as breaks or threatened breaks in dams or destruction of any of the property by the forces of nature, so that said \$1 million may be constantly available to make repairs, or to prevent damage, and thus to insure continuance of operations in the manufacture and distribution of electric energy and fertilizers.

It is increasingly evident that the House desired to have Congress assume complete control of TVA's activity through the annual appropriation process, but agreed to liberalize the amended

act to the extent of letting TVA use its revenues for the normal business of operating its existing power and fertilizer facilities. There is nothing in the language, nor in the debate, to indicate that Congress thought it was approving the use of TVA revenues for the construction of new generating units, or plants, nor of new fertilizer plants, without specific approval of the Congress. It is difficult to see how anyone can read into the language "in conducting its business in generating, transmitting, and distributing electric energy and in manufacturing, selling and distributing fertilizer and fertilizer ingredients" any intent to cover TVA's business of "constructing new hydroelectric or new steam-electric generating plants or units."

Reading section 26 of the TVA Act, as amended, together with the 1948 congressional limitation on the use of TVA revenues, which says:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress. (Government Corporations Act, 1948.)

Clearly shows that Congress was only giving authority to use power revenues for replacement purposes, and was reiterating that TVA must obtain specific legislative authority from the Congress for the construction of new generating units.

I think the intent of Congress is often expressed not only by what a Member says, but by the previous actions and opinions of that Member. In August 1935, when this question was up on the floor, the Member from New Jersey, Mr. McLean, had something to say which I shall quote in a moment.

In view of the statement on the floor of the House by Mr. McLean in August 1935, it is inconceivable that section 26 of the TVA Act, as amended, can be interpreted to confer on TVA the authority to construct additional generating capacity at will without the specific authority of the Congress. Mr. McLean had this to say—CONGRESSIONAL RECORD, 1935, at page 13998:

Mr. Speaker, I signed this conference report and I advise its adoption. \* \* \*

Let it not be understood that, in taking this position I do, I have not in any way changed my attitude towards the philosophy of the Tennessee Valley project. I still believe it is fraught with danger and to a very considerable extent is an unfair burden upon taxpayers in districts not affected by the expenditures being made, and that entirely too much money is being spent in the Tennessee Valley without regard to the constantly increasing national debt and its ultimate payment by generations yet unborn. As a member of the committee of conference it was my duty to endeavor to reconcile the differences in proposed legislation between the Senate and the House of Representatives, and I believe that out of the controversy surrounding proposed legislation effecting the Tennessee Valley Authority there is now before the House a piece of legislation which will meet many of the criticisms, restrain many of the unwise activities, and clarify many misunderstandings. What is of greater importance than anything else is the fact that the directors brought upon themselves much of the



criticism that has been advanced against them, should have a better understanding of their obligations to the Government of the United States and to the Congress; and I believe that in the future we shall see more orderly procedure so far as that agency is concerned.

One of my principal complaints in this controversy was the fact that the directors of the Tennessee Valley Authority had entirely disregarded the Congress. There were indications that they held it in contempt. They made no report as to their plans, purposes or ultimate objectives as they were required to do by the act in order that Congress might guide and control the nature, sequence, and extent of the development. There now can be no doubt in this regard, for we have specifically provided in the pending bill that on or before the 1st of April of next year there shall be such a report by this governmental agency to the Congress which created it and whose agent it is.

Mr. Speaker, I feel, in spite of the turmoil, the vexations, and the crinations and recriminations that have gone on while this bill was pending, that we now have a better understanding between the Congress and its creature, the Tennessee Valley Authority. The directors of the Authority should have a better understanding of the obligations which they owe to the Government and Congress in the discharge of their duties, and although, as I have said, I cannot bring myself to favor the objectives intended to be brought about by the Tennessee Valley Authority, I feel that if we must have a new law, we have written a much better piece of legislation than was first proposed by the Authority itself, and much good should come as a result of the adoption of this report.

Here was a man opposed to the TVA concept. Can anyone contend that he would have made the above statements had he believed TVA was being given almost unlimited authority to expand its generating facilities without further review by, and approval of the Congress? I think not.

According to the TVA method of accounting, which leaves out any payment to the Treasury for the interest cost to the taxpayers, or for Federal tax equivalent, which TVA officials claimed TVA rates provided for; the net annual power revenue now approaches \$60 million. To permit a board of three men to use such an amount each year to expand socialized power facilities at will is unthinkable, particularly when TVA is using this subsidized electric power to draw industry from other sections of the country by their low power rates.

(Mr. BOW (at the request of Mr. PHILLIPS) was granted permission to extend his remarks at this point in the RECORD.)

#### USE OF TVA SUBSIDIZED POWER TO ENTICE INDUSTRY INTO THE TENNESSEE VALLEY

Mr. BOW. Mr. Chairman, we have heard arguments pro and con, on whether TVA entices industry to the TVA area through its subsidized low electric rates. There can be no doubt, however, about the effort of the TVA distributors and the Tennessee Industrial and Agricultural Development Commission to lure industry from other sections of the country.

The Tennessee Valley Yearbook, 1955, a colorful brochure printed in Chattanooga, Tenn., carries a number of advertisements extolling cheap power as an

incentive for industry to locate in the Tennessee Valley. At the same time the Yearbook—page 37—says the valley should quit luring industry from the outside in these words:

We must organize new industries—quit luring them from outside—such gain is permanent—other communities need all they can keep. Let's be just. New plant-branches O. K.

The Nashville Electric Power Board advertisement on page 62 says:

Life in Nashville is higher and brighter because of cheap, convenient electric power.

We earnestly advise any industry considering the establishment of a new southern factory branch, plant, or distribution warehouse to come to Nashville where you will receive the "finest electric service in the entire Nation."

In Nashville we say "Electricity—biggest bargain in your budget."

Chattanooga, on page 8 of the Yearbook, says:

Power, low-cost power, and plenty of it. \* \* \*

\* \* \* The widespread use of this low-cost TVA electricity makes the Board the largest single distributor of power produced by the Tennessee Valley Authority.

Then goes on to say:

TVA is a sound national investment. Not only does it prevent millions of dollars in flood damages annually but all appropriations for electric power development are repaid to the National Government with a 6-percent interest payment.

This advertisement demonstrates the attempt to sell the Tennessee Valley from a low-cost power standpoint while it at the same time is trying to make the Nation believe TVA is repaying the Government investment in the power development with interest at 6 percent. The record shows, of course, that this is not true. TVA has paid a small amount of interest at low rates on an early bond issue which represents less than 4 percent of the present total TVA project cost. TVA revenue has not been sufficient to pay operating expenses, pay interest cost on power investment, and make repayment of the investment. Nor have they paid or provided for taxes equivalent to the local, State, and Federal tax rates paid by private utilities.

The Tennessee Industrial and Agricultural Development Commission uses the following bait as one of its reasons why northern or other manufacturers should move to the TVA area:

#### ABUNDANT LOW-COST POWER

Low-cost electric power is sold at standard rates throughout the State. Most of Tennessee is supplied with electricity from the vast TVA system of dams and steam plants, the largest integrated power system in the United States. Over the next 2 years, some 2½ billion kilowatts will be available in the TVA region for industrial development. Generally, TVA power rates are 30 percent to 45 percent below the national average. For example, certain industrial consumers in Tennessee pay only 6.03 mills per kilowatt-hour on a monthly consumption of 400,000 kilowatt-hours—1,000 kilowatt demand. A recent study for a small northern manufacturer revealed that his annual power bill of \$16,128 could be reduced to approximately \$8,000 in Tennessee.

I wonder how much longer the long-suffering taxpayers in Ohio and other

sections of the country are going to put up with the increasing demands for more funds to expand this socialistic power empire? I am sure my people think the time has come for the TVA area to stand on its own feet and pay its proper share of Federal taxes and interest costs.

Mr. MAHON. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. RABAUT].

Mr. RABAUT. Mr. Chairman, in the interest of brevity I shall not take the time to read the two statements I hold in my hand but shall insert them at this point. They are as follows:

#### USE OF REVENUES FOR GENERATING UNITS AT EXISTING PROJECTS

The minority report seeks to cast doubt on an opinion written by TVA's General Counsel, Mr. Joseph C. Swidler, concluding that TVA has statutory authority to expend power proceeds for new generating units at existing plants. The section of the minority report dealing with this point begins by quoting out of context a statement in Mr. Swidler's opinion that section 26 of the Tennessee Valley Authority Act "standing alone, is broad enough to authorize use of proceeds for construction of any type of power installations, including steam plants and single-purpose power dams as well as individual generating units and transmission facilities." The minority report implies that the words "standing alone" deprive the statement of meaning because other subsequent legislation, specifically the Government Corporation Control Act and the Government Corporations Appropriation Act, 1948, have changed the situation. In fact, the words "standing alone" appear on page 1 of the opinion, and the remaining 8 pages are devoted to showing that no subsequent legislation has changed the situation.

So far as the Government Corporation Control Act is concerned, section 104 of that statute, which governs congressional action on agency budget programs, includes an express provision that such section "shall not be construed as affecting the provisions of section 26 of the Tennessee Valley Authority Act, as amended."

With respect to the Government Corporations Appropriation Act, 1948, the pertinent statutory limitation is that TVA power revenues shall not be used for construction of new power producing projects unless first approved by Congress. When the bill was debated on the floor of the House during the 80th Congress, the meaning of this language was agreed upon by spokesmen for the majority and minority members of the House Appropriations Subcommittee which drafted it. Representative Ploeser, chairman of the subcommittee, expressly concurred in the interpretation of the then Representative GORE, as follows:

By the word "project," I think it is clear that the committee intends, and I believe it to be the legislative intent that it applies only to new multi-purpose dams, or a hydroelectric dam or a major steam plant. It is not the intent, as I understand the committee, nor is it the intent of the language nor the portent of that language, that it would



be restrictive of the smaller items such as generators, substations, transmission facilities, and other such operative facilities. (Vol. 93 CONGRESSIONAL RECORD, p. 6828.)

The minority report also states that doubts concerning TVA's statutory authority to expend revenue were expressed by Senators friendly to TVA during a 1955 appropriations debate. Examination of the debate shows that there was considerable discussion whether TVA should use revenue to construct additional units, but no direct challenge to the statement of Senator HILL, one of the authors of the original TVA Act, that—

The Tennessee Valley Authority has 1 of 2 ways in which it can install units. One is by coming to Congress and getting an appropriation, which means getting funds out of the Treasury of the United States. The other way is by husbanding and wisely using its revenues from sale of power, its proceeds, so as to enhance the Government's property by installing additional units. (CONGRESSIONAL RECORD, July 13, 1955, p. 8938.)

Senator HILL's statement accords completely with the interpretation agreed upon by Mr. Ploeser and Mr. GORE at the time the Government corporations appropriation bill for 1948 was debated in the House.

The minority report also states that TVA has not begun any new units out of revenues without prior congressional approval since the Government Corporations Appropriation Act, 1948, was enacted. If this were true, it would have no bearing on whether TVA has statutory authority to follow this course. But it is not true. The fact is that TVA financed construction of Wheeler Dam units 7 and 8 out of revenues and without prior congressional approval within a period of months after the bill was enacted; that it revealed this fact during the hearings on the Government corporations appropriation bill for 1949; and that majority and minority members discussed the matter during the 1949 hearings and again agreed that the limitation adopted the prior year applied only to new plants and not to units—hearings before the Subcommittee on Government Corporations of the House Committee on Appropriations, 80th Congress, 2d session, 1948, page 596.

#### CONSTITUTIONALITY OF TVA STEAM PLANTS

When the TVA Act was passed in 1933, it included a provision—section 7 (a)—which transferred to TVA 2 steam plants previously constructed by the Corps of Engineers at Sheffield and Muscle Shoals, Ala. Section 15, which was also included in the original act, expressly authorized TVA to issue \$50 million of bonds to finance, among other things, construction of steam plants. In 1939, Congress amended the act by adopting section 15c, which authorized TVA to purchase generating and transmission properties from private utility companies in its area. The hearings on this legislation made clear that these properties included several steam generating plants. Further, TVA's manager of power testified expressly that TVA intended to operate these plants, and that, since acquisition of the private utility properties would make TVA the sole supplier in the area, TVA would be required in the future to build new

steam plants—hearings before subcommittee of House Committee on Military Affairs on S. 1796, 76th Congress, 1st session, pages 19–21, 111–112. In 1940, Congress appropriated funds for construction of a steam plant by TVA at Watts Bar.

No serious question was raised in Congress as to the constitutionality of any of these legislative actions. The constitutional issue was first raised in 1948 and 1949 by opponents of an appropriation requested by TVA for the Johnsonville steam plant. Early in 1949 Congress approved an appropriation for this plant. Since then Congress has appropriated funds for six other TVA steam plants at Colbert, Gallatin, John Sevier, Kingston, Shawnee and Widows Creek. The steam generating unit now challenged is to be installed at one of these plants, John Sevier, which has already been specifically approved by Congress.

The matter has already been judicially tested and sustained by a three-judge Federal court in *Rainbow Realty Co. v. Tennessee Valley Authority* (124 F. Supp. 436 (M. D. Tenn. 1954)). In that case, the respondent challenged TVA's authority to condemn a right-of-way for a transmission line near Nashville, Tenn., on the ground that the line would be used to transmit power generated predominantly at TVA steam plants, which it claimed TVA lacked constitutional authority to construct or operate. In the course of its opinion rejecting respondent's contention, the court stated that—

The extent to which electric power from steam plants commingled with power from hydroelectric plants may be supplied by TVA is a question for legislative determination and not for determination by the courts (p. 441).

Further, may I mention that the majority report in connection with the Tennessee Valley Authority is not found only on page 32, it is on pages 32, 33, and 34.

As to the directive which the gentleman from California [Mr. PHILLIPS] said was missing, I quote the following language from the majority report:

The committee \* \* \* believes that the Agency should follow normal business procedure, using its revenues to the extent necessary. The requested \$3,500,000 has therefore been disallowed.

Again:

The committee shares the desire of the administration to reduce appropriations wherever possible and therefore recommends use of its power revenues so as not to require new appropriations.

Finally, at the bottom of page 34 appears this language:

The committee reaffirms its judgment, and believes that TVA should use its revenues to the extent they are available to add units at existing plants to meet the power requirements of its service area.

Not projects, units; "units at existing plants."

If a man builds a home and says, "I am not going to plaster the upstairs part of this house," and finds afterward that his family has come along and he needs the additional rooms and plasters those rooms, that is exactly what they are do-

ing here at this John Sevier plant. They are using a place that has been prepared and are setting in the generator. That is all there is to it. That is the answer to these questions.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. RABAUT. I yield to the gentleman from Tennessee.

Mr. COOPER. Does not the gentleman from Michigan feel certain that the very clear and convincing statement made by the gentleman from Mississippi, who is a member of the committee, and wrote the language to which reference has here been made, as well as the remarks of the gentleman from Michigan and the gentleman from Tennessee [Mr. EVINS] and others of the majority speaking, and the majority report here, clearly show the intent of the Congress to be just as stated in the majority report?

Mr. RABAUT. The gentleman is absolutely right.

Mr. Chairman, I am including at this point the entire majority report in connection with the Tennessee Valley Authority:

#### TENNESSEE VALLEY AUTHORITY

The supplemental estimate considered by the Committee was for \$3,500,000 to finance construction work during the current fiscal year on a needed generating unit at the John Sevier steam plant. The budget recommendations for this supplemental estimate and for the fiscal year 1957 contemplate that completion of the unit at the John Sevier Plant and construction of additional units at the Johnsonville steam plant will be financed with revenue bonds under legislation which is now pending in committee in the two Houses. The committee finds that the Tennessee Valley Authority's power revenues have provided it with sufficient funds for the construction of such additional units as TVA now requires, and believes that the Agency should follow normal business procedure, using its revenues to the extent necessary. The requested \$3,500,000 has therefore been disallowed.

A minority of the committee opposes the TVA using its own money to meet its power needs and in addition voted against the President's recommendation to appropriate money for this purpose. The only conclusion to be reached is that the minority is simply opposed to the people of the TVA region having power to meet increasing needs.

Extraneous matters were raised during consideration of this estimate which, while not pertinent to the problem before our committee, do require some comment to keep the record straight.

Briefly, the President of the United States, in his annual budget message to the Congress, expressed his approval of the commencement of construction of certain generating units to be added to existing plants on the TVA system. He recommended that \$3,500,000 be appropriated to begin construction immediately of a unit at the John Sevier plant in Eastern Tennessee and proposed that the balance of the costs of this unit, and all the costs of the additional units be met by proceeds from the sale of revenue bonds. Much of the space and a good deal of the heat in the hearings appears to be directed at the President's suggestion that TVA finance additions to its power system by the issuance of revenue bonds. This is a controversy between certain minority members of the committee and the President of the United States. No position is taken on the merits of revenue bond legislation since that is a matter for the appropriate legislative committees of the Congress.



The realities of the situation are clear. In 1940, following authorization by the Congress of the purchase of the properties of certain private power companies TVA became the sole source of power supply for its service area. Now, over 1,300,000 customers buy their electricity from the 150 distributors which purchase power at wholesale from TVA. The farms, the homes, and industries of this great area rely on TVA to meet their increasing needs for energy. Great installations for our national defense are located in the region. There is no dispute about the need for additional capacity to meet their power requirements. The question is how new capacity shall be financed. At the time the President made his recommendation it might have been reasonable to anticipate early action on the so-called bond amendments to the TVA Act, and therefore to expect bond proceeds to be available to meet the costs of generating units in the next fiscal year. At the present time, however, it is obvious that even if passage of the legislation were accomplished with a celerity unprecedented in congressional history, the long and complicated process of bond issuance could not be expected to provide funds in time to meet the need.

The committee considered this situation, and recognizing that only two methods of financing are available to TVA at the present time—the appropriation of funds by Congress, or the use by TVA of its revenues for the purposes authorized by law, the latter method is recommended. The committee shares the desire of the administration to reduce appropriations wherever possible and therefore recommends use of its power revenues so as not to require new appropriations.

A minority of the committee, on the other hand, gives no consideration to this answer. Instead, it resorts to familiar attacks on TVA, and in effect proposes to break up and destroy this great power system, repealing the TVA Act by indirection, and as a consequence leaving the people of this one area without power required to maintain its standard of living or provide for the economic growth of the present geographic area served by TVA. In the opinion of the committee it is unthinkable that the Congress would deliberately schedule a power shortage in 1957 and 1958 in any area of the Nation, and when we consider that more than half of TVA's power output in now being used by AEC, the Air Force wind tunnel center at Tullahoma, Tenn., the guided missile project at Redstone Arsenal, Alabama, and other vital defense installations, we realize that a breakdown of TVA power supply would be a national disaster.

The question of the constitutionality of the TVA steam plants has been raised repeatedly in debate on TVA appropriations over the past 10 years, and Congress, overruling such contention, has approved 8 large steam plants. The question has come before the courts in one case, and in that case a 3-judge Federal court sustained the constitutionality of the TVA steam plants. (*See Rainbow Realty Company v. TVA* (F. Supp. 436 (1954)).) Likewise the question of TVA's statutory authority to use power proceeds for the construction of new power generating units is not novel. The TVA Act has been so interpreted from the beginning, and Congress has known and accepted this interpretation, and has indeed welcomed the reduction in the amount of appropriation which would otherwise have been requested. Over the years 10 generating units in existing projects have been begun with earnings from the power system and all but 2 have been completed out of earnings. Two of these units at Wheeler Dam were begun after the addition of the language in the 1948 Appropriation Act so frequently referred to. A reading of the full congressional debate at the time this provision was enacted, quoted in the opinion of TVA's general counsel in

the hearings can leave no doubt that Congress did not intend to restrict the use of revenues for new units at existing projects, such as are involved here, but only to limit the commencement of construction of new projects out of earnings.

The committee would point out that the Administration has recognized the national importance of adequate generating capacity on privately owned power systems to the extent of providing (through the tax amortization device) over two billion dollars of interest-free loans to the private utilities for the construction of new capacity. Certainly the need for power in this area, where the percentage of national defense loads is higher than in any other area of the country, is just as urgent and the responsibility of the government is greater.

Common business sense supports the committee's recommendation. We believe it is more sound to use money at hand rather than make new appropriations. The power units which are involved are all in existing plants, and much of the investment in general facilities required for their operation, such as rail connections, coalyards, and coal handling equipment, and smokestacks, has already been made in connection with the installation of earlier units. The new generating capacity can therefore be installed at low unit cost. It constitutes economical additions to the TVA system which is owned by the United States to provide power urgently needed. It will preserve and enhance the investment which the Federal Government has already made.

No new arguments or novel considerations have been raised in consideration of the estimate before the committee. The committee reaffirms its judgment, and believes that TVA should use its revenues to the extent they are available to add units at existing plants to meet the power requirements of its service area.

Mr. TABER. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Chairman, for the information of the Members, I am including at this point the minority views on the Tennessee Valley Authority matter:

#### MINORITY VIEWS

The members of the Subcommittee on Public Works who sign this minority report disagree with the action and vote of the majority on the request of the Tennessee Valley Authority for funds with which to build an additional generating unit at the John Sevier plant.

There were four possible answers to that request:

(1) To agree and to appropriate \$3,500,000 in new money to start construction on this unit. It must be understood this was only the request of the moment. The total needed is \$28 million.

The idea of voting new money to TVA was refused by the subcommittee. The Congress in the past few years has refused more than once to appropriate new money for steamplants or additional units to existing steamplants.

It should be noted that there is still grave doubt in the minds of able lawyers and of Members of the Congress whether there was actually any constitutional authority for the TVA to build steamplants at any time. Since this is a technical legal question, not to be discussed in this minority report, it should definitely be considered by the Congress with the thought of giving authority to take the question to the Supreme Court of the United States. Certainly no more money should be voted to the TVA to build steamplants or additional units until the question is resolved.

(2) To take the money from its own funds without further approval by the Congress and build the additional unit, or any other structures in the future. This was the recommendation of the subcommittee's majority. We disagree. It is the line of reasoning expressed in the opinion rendered to the TVA Directors on September 10, 1955, by the TVA Counsel, Joseph C. Swidler, which, in our opinion, controverts itself. Counsel says, for example:

"This language [meaning section 26 of the TVA Act of 1933, as amended], standing alone, is broad enough to authorize use of proceeds for construction of any type of power installations, including steamplants and single-purpose power dams, as well as individual generating units and transmission facilities."

The catch words are, of course, "standing alone." The point is that section 26 of the TVA Act does not "stand alone." It must be read not only with the remainder of the act, but also with all other congressional actions (particularly those subsequent to its passage) or limitations thereto.

The citations given by Mr. Swidler, to support his opinion, refer, without exception, to the use of power proceeds by TVA prior to the passage of limitations on such use. We refer particularly to section 104 of the Government Corporations Control Act, which was passed in 1945 and to which a limitation was added in 1948, reading as follows:

"None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects (except for replacement purposes) unless and until approved by act of Congress."

Nothing could be clearer, to us, as to the intent of the Congress. However, counsel for TVA offers this interesting interpretation (says Mr. Swidler):

"In thus prohibiting the use of revenues for construction of 'new power-producing projects' without prior Congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities."

We challenge the use of the word "clearly." To us, the language is a definite prohibition, and if it is to be reinterpreted for the benefit of the TVA, this should not be by TVA's own counsel alone, but either by the Congress or the courts, or perhaps by both, as we have indicated above.

This opinion and interpretation have already been challenged in the Congress, in part by Members sympathetic to the Tennessee Valley Authority. We suggest the reading of the CONGRESSIONAL RECORD of July 13, 1955, at pages 8938 and 8939; also of the RECORD of July 14, 1955, at pages 10005 and 10009, and of the RECORD of August 2, 1955, at page 11254.

It would be well, in view of the present request for new money, and the ensuing discussion, for all Members of Congress to reread the testimony of the then TVA Directors in 1935, in which the witnesses testified to the intent of TVA policy and their own opinions as to TVA's obligations. For example, Mr. David Lilienthal testified, regarding the way TVA would set the power rates:

"These rates are based on certain principles, and the first principle is that the consumers of electricity must pay all the operating cost of furnishing that electricity, without any contribution whatever from taxpayers."

"Second, that consumers of electricity, the people who pay the rates, shall pay taxes, through the rates, which, of course, is the way all utility operations pay taxes equivalent to the national average of taxes, local, State, and Federal, paid by private-owned utilities. Municipalities which purchase



power from the Tennessee Valley Authority plant at the Wilson Dam and resell it in turn, at retail to their citizens also pay taxes, as required by their contract with the Authority, and those taxes are also equivalent to the amount a private utility would pay, a private utility in that community.

"Third, depreciation and amortization are provided for, both by TVA and by the municipalities. As to TVA, the rates charged include a margin to offset depreciation from year to year, so that in the course of years there is a reserve adequate to rebuild the plant as a new plant; and there is also a surplus which, if Congress so desires, can be used to pay back into the Treasury not only the present value of this depreciated wartime property, but also every penny of the original investment put into the property in order to defend this country against its enemies.

"Fourth: Interest is charged."

Dr. A. E. Morgan, the first TVA chairman, expressed his opinion of TVA power operations and rates in these words:

"They must be fair, with no special arbitrary advantage; they must pay taxes, just as private utility companies must do, and every other reasonable charge if they are to provide us with a fair comparison."

He refers of course to the "yardstick" theory, so often advanced by TVA and its supporters. We hardly need add that any resemblance of present TVA policies, including the current request for an appropriation to build the John Sevier unit, to the original testimonies on the basis of which the TVA Act was passed, is entirely coincidental.

(3) To permit the TVA to issue its own revenue bonds, to cover the \$28 million it estimates it needs for this unit. Whatever icing may be spread over this proposal, it means essentially that these bonds, directly or indirectly, now or in the future, will be obligations of the United States Government, just as surely as if we had approved the original request for new money and then gone out and secured that money by borrowing it (with interest) or by taxing the people of the 48 States for it. This has been so often refused in recent years by the Congress that to propose it now, somewhat disguised, seems to us to be completely out of order.

Whether or not the TVA shall be permitted to set itself up as an independent agency, or utility, furnishing power in a designated area, paying local, State, and equivalent Federal taxes and interest, underwriting its operations from its own income, adjusting its rates to meet its needs under such incorporation, borrowing money to expand or place its facilities, is a matter now before the proper legislative committees in this Congress. Certainly, if the TVA is to be given the right to its independence and to operate as any power utility operates, then it might properly have the authority to issue bonds. In that case, however, they would not be bonds of the United States, adding to our already topheavy national debt; they would be bonds of a utility corporation, not of the autocratic power empire envisioned in the opinion of the TVA counsel and other TVA proponents. Such bonds would be sold to the public as the bonds of any power utility are marketed. This is a reasonable suggestion; any idea that we should permit the TVA, an agency of our United States Government, to issue revenue bonds which would become contingent obligations of the United States, is unthinkable.

If the TVA desires independence, let it separate its power functions from its other functions, if necessary, and then issue bonds for its entire power construction debt in the past. It would, by such a bond issue, with repayments determined, and on which it would pay interest, assume the financial responsibility for all money already advanced

by the Treasury (or in other words by the taxpayers, the great majority of whom in no way benefit from this expenditure); pay normal interest thereon, and secure complete independence, with the pride and integrity which accompanies independence.

The responsibility to recommend that such authority be given the TVA lies with a legislative committee, not with the Committee on Appropriations.

(4) The proper choice, in our opinion, is to follow the course already adopted by Memphis, the first of the captive municipalities to take itself out from under TVA bondage. This statement is made advisedly; under TVA contracts, no other power may be bought in its area, nor can a distributor provide power from its own or any other source, without TVA permission. Even the rates charged its customers, by the distributors of TVA power, may be set only with the approval of the TVA. Memphis has proved that this choice is feasible; it should be followed by other distributors in the TVA area.

The request of the TVA, for money to build an additional unit at the John Sevier plant, should simply be denied.

It must be understood that this in no way denies TVA any power for legitimate uses. The United States has first call on its power for its needs. TVA can, in case of emergency, secure power from the surrounding utilities, all of which are now tied in with the TVA grid. The TVA has bought such power in the past.

Actually, the immediate request is for a unit which would produce approximately 180,000 kilowatts of power. One private industry in Tennessee alone is currently asking for 235,000 kilowatts, for expansion, yet this industry, by name, announced through the press 3 months ago, that it intended and was fully prepared to build a plant for itself to supply the needed power. It was "enticed" (to quote the newspaper reports) to change its plans and expand in the TVA area, with the Federal Government expected to pay for the plant for added power.

Certainly, whatever else may be argued about the intent of Congress in 1933, there must be unanimous agreement that Congress never contemplated an authorization to entice industries into the TVA area, by offering power, sold at subsidized rates, and produced in steam plants. TVA itself, in the answer filed in the 18 company suit, January 8, 1937, implied it had no such authority and denied any such intent.

None of the requested additional power, therefore is to be used for national defense, nor for the needs of the Federal Government; this is an effort to draw industries into the TVA area, at the expense of the taxpayers of the other States where local, State, and Federal taxes are paid on power revenues.

We believe the request should be denied by the Congress.

GLENN R. DAVIS.  
BEN F. JENSEN.  
JOHN PHILLIPS.  
T. MILLET HAND.  
JOHN TABER.

[Mr. REECE of Tennessee addressed the Committee. His remarks will appear in the Appendix.]

Mr. TABER. Mr. Chairman, I yield such time as he may require to the gentleman from Wisconsin [Mr. DAVIS].

Mr. DAVIS of Wisconsin. Mr. Chairman, those of us who take exception to the use of \$3½ million of TVA revenues to initiate construction of a new steam-generating plant are placed in a most frustrating position. There is no language in the bill which we can seek to delete, or to which we can seek to add a limitation. The use of the \$3½ million is authorized by the language of the ma-

jority committee report, which is not subject to amendment, under the rules of the House, on the floor.

We believe that TVA, as a creature of Congress, should be limited to the use of authority specifically granted by Congress.

This Government venture is simply not carrying its fair financial load, with the result that power users in other parts of the country are being unfairly discriminated against, and the public generally is carrying an extra tax burden.

Even now, the TVA area is greatly expanding its powerloads by the enticement of industry through promises of cheap power.

One wonders how long the people in other areas of the country are going to allow TVA to entice industry to the valley through subsidized low electric rates all the while TVA officials deny luring industry into the area, the Reynolds case being the latest of the series.

Representative WOLVERTON—page 818 of the joint committee investigation of TVA in 1938—asked Mr. Lilienthal:

As a matter of fact, do you seek to promote business for TVA by bringing other industries to the valley?

To which Mr. Lilienthal replied:

No; we do not.

Later at the same hearing—page 1163—Mr. Blandford said:

But the answer is positively "No," that the Authority does not engage in solicitation of industries from other parts of the country.

How Mr. Lilienthal and Mr. Blandford justified such statements is difficult to understand when Mr. Lilienthal 4 years earlier had this to say at Chattanooga on April 21, 1934:

I am very definitely of the opinion that it is the Authority's duty to encourage and stimulate the growth of large-scale industry in the Tennessee Valley area. We are making provision for one of the largest hydro-electric developments in the world, with a potential of 3 million horsepower available. We are expending, and expect to expend, millions upon millions of dollars in construction activities, all looking toward the development of more and more power. Although we are bending every effort to greatly increase the use of electricity in the home and on the farm, it is obvious that only a large-scale industrial expansion will absorb the great pool of power which is thus being created. As we lay our plans for developing this cheap power in great quantities, it seems to me to be mandatory that we also lay plans for utilizing it in an industrial expansion program.

And at Birmingham, Ala., on October 31, 1934, he said:

But industries don't set themselves up in a region automatically. There must be some organizing force, with technical and research facilities. We believe it is appropriate that some of this technical and research work should be undertaken by the Tennessee Valley Authority as an agency of all the people. (From p. 419, House Military Affairs Committee hearings on TVA, 1935.)

Perhaps TVA itself is not directly engaged in open and aboveboard publicity and advertising for new industrial expansion in the Tennessee Valley area. But just where does enticing begin? If TVA because of its subsidized Federal tax and interest-free power can and does



offer rates lower than an investor-owned utility can meet—who has to provide for interest and Federal taxes—what is that but an enticement?

Again, are not the captive TVA distributors of TVA power in effect agents of TVA and therefore a responsibility of TVA? These distributors actively advertise and promote industrial expansion in the areas they serve with low-cost power as one of their main attractions. The Tennessee Industrial and Agricultural Development Commission located in Nashville, Tenn., has currently underway an advertising campaign to entice manufacturers to move to Tennessee. The following item is one of the reasons set forth in their brochure on the subject:

#### ABUNDANT LOW-COST POWER

Low-cost electric power is sold at standard rates throughout the State. Most of Tennessee is supplied with electricity from the vast TVA system of dams and steam plants, the largest integrated power system in the United States. Over the next 2 years, some 2½ billion kilowatts will be available in the TVA region for industrial development. Generally, TVA power rates are 30 to 45 percent below the national average. For example, certain industrial consumers in Tennessee pay only 6.03 mills per kilowatt-hour on a monthly consumption of 400,000 kilowatt-hours—1,000-kilowatt demand. A recent study for a small northern manufacturer revealed that his annual power bill of \$16,128 could be reduced to approximately \$8,000 in Tennessee.

Of course the copywriter was a little optimistic in thinking the rest of the country is going to provide 2½ billion kilowatt of power for industrial expansion in the TVA area in the next 2 years. Nevertheless the general idea is there that the TVA source of power is unlimited and northern manufacturers are invited to move to the TVA area.

Now comes the Reynolds Metals Co.'s recent announcement that the TVA has contracted to supply up to 225,000 kilowatt for a new aluminum plant at Listerhill, Ala., adjacent to which the Ford Co. will build a foundry. This at a time when TVA was curtailing power to existing aluminum electrochemical plants.

Yet on August 3, 1955 the press reported that Reynolds had announced the planned expansion would be made in northwestern Kentucky and that the company would construct its own 300,000 kilowatt steam plant near company owned coal deposits to provide the needed power.

According to reliable reports Reynolds also was considering locating the new aluminum plant in northeastern Ohio or western West Virginia. Information obtained from the investor-owned utility serving the West Virginia site discloses that that company had proposed furnishing the Reynolds power requirements at a rate under 4½ mills per kilowatt-hour. Adding a Federal tax—equivalent to the rate paid by private utilities—to the TVA rate to Reynolds would result in the TVA rate being nearly 10 percent above the rate offered by the investor-owned utility. The tax subsidy amounts to about \$1 billion annually.

One wonders what will be the reaction of the businessmen, labor, and the Members of Congress from the districts that

Reynolds was considering as potential locations before TVA made its low subsidized rate proposal. A proposal made with the knowledge that TVA could not serve the load from existing plants.

I do not see how any member of Congress regardless of the section of the country he represents or regardless of party can condone the evasion of the law by TVA. In committing funds for an additional steam generating unit at the John Sevier plant after the Senate refused to approve the use of power revenues for the purpose, TVA has figuratively thumbed its nose at Congress. This deliberate affront to Congress cannot be tolerated.

Mr. MAHON. Mr. Chairman, I yield to the gentleman from Alabama [Mr. JONES] such time as he may require.

Mr. JONES of Alabama. Mr. Chairman, the issue we face today is one of congressional responsibility toward an agency of Congress' own creation, the Tennessee Valley Authority.

It seems to me that the Committee on Appropriations has provided opportunity for particularly painless exercise of that responsibility. We are confronted with no question of appropriations for TVA, no question of a new dam or steam plant, no question of geographical expansion. It is simply a matter of providing for the necessary new generating capacity for TVA, and doing so without appropriating a nickel from the Federal Treasury.

If I correctly remember the debates on TVA that I have taken part in during my 10 years in this House, the loudest complaints always have come over the matter of appropriating funds for the TVA power system. If those who have consistently opposed TVA appropriations as a burden on the American taxpayer are now proposing to shut off this alternative source of funds—a source of funds used in all normal business procedure and not affecting the level of Federal expenditures, except to reduce that level—then we must ask if they actually wish to have the congressional responsibility carried out or are merely looking for another way to destroy TVA.

This bill carries no money for TVA. In fact, it eliminates the \$3.5 million requested for TVA in the budget estimate.

The committee report affirms TVA's right and authority to use its own power revenues, to the extent available, to add power-generating units at existing plants in order to meet the power requirements of its service area.

In this respect the Committee on Appropriations is simply permitting TVA the same growth that every other utility system in the country is enjoying. It recognizes that industrial development and economic growth in the Tennessee Valley should not be treated any differently than industrial development and economic growth in the other regions of the United States. The committee recognizes that TVA, as a publicly owned development, is a sound national investment, and that this investment will be preserved and enhanced with additional capacity available to provide urgently needed power.

Use of TVA power revenues to begin construction of this additional generating capacity will not impair the pay-back of appropriated funds as required of TVA under the Government Corporations Appropriation Act of 1948. TVA is 46 percent ahead of the repayment schedule established in that act. The subcommittee hearings brought out the fact that through June 30, 1955, TVA had made payments totaling \$127.5 million. Equal annual payments through the same period would have required only \$87.6 million. The minimum repayment schedule would have required a repayment of only \$28 million by that time.

By the end of the current fiscal year TVA will have repaid \$186.5 million, which is \$155 million more than is required and over \$70 million more than might normally be expected. By the end of this fiscal year—in about 3 months from now—TVA will have paid back more money than the average schedule requires through 1958.

The \$3.5 million requested for TVA, which was eliminated by the Committee on Appropriations, would have been used to start construction of an additional unit at an already existing plant. The committee simply concluded that TVA has sufficient funds out of its power revenues to do such work, and reaffirmed TVA's authority to do so.

I suggest that my colleagues not be confused by efforts to raise questions about the legality or constitutionality of TVA steam plants. There have been vague suggestions that we ought to have a court test of the constitutionality of TVA steam plants. The fact is that the court test has already been had; a three-judge Federal court in the Rainbow Realty Case sustained the constitutionality of TVA steam plants 2 years ago. I might say that in that respect the court agrees with the Congress, which over the years has approved eight large steam plants.

Nor should any of us be confused by the questioning of TVA's right to use power revenues for this purpose. As the committee report states:

The question of TVA's statutory authority to use power proceeds for the construction of new power generating units is not novel. The TVA Act has been so interpreted from the beginning, and Congress has known and accepted this interpretation, and has indeed welcomed the reduction in the amount of appropriation which would otherwise have been requested. Over the years 10 generating units in existing projects have been begun with earnings from the power system and all but 2 have been completed out of earnings. Two of these units at Wheeler Dam were begun after the addition of the language in the 1948 Appropriation Act so frequently referred to. A reading of the full congressional debate at the time this provision was enacted, quoted in the opinion of TVA's General Counsel in the hearings, can leave no doubt that Congress did not intend to restrict the use of revenues for new units at existing projects, such as are involved here, but only to limit the commencement of construction of new projects out of earnings.

The minority views printed in the committee report contain an allegation to which I address myself at this point. The minority claims that this new generating capacity would not be needed if



TVA had not enticed a private industry in Tennessee to expand its aluminum producing facilities in the TVA area. I assume the minority is referring to the Reynolds Metals Co.—which, incidentally, is in Alabama, not Tennessee—since Reynolds was the subject of discussion in the subcommittee hearings as revealed in the printed record.

The facts in the Reynolds matter are these: Reynolds Metals Co. has been producing aluminum in the Tennessee Valley since 1941. It has contributed much to the strength of our national defense and to the economic progress of the Tennessee Valley, and it in turn has prospered. Last year Reynolds announced a proposed expansion of its aluminum production program. In connection with this, TVA was approached by Reynolds in November of 1955. Reynolds tentatively planned to locate a new aluminum plant near Henderson, Ky., which is situated on the Ohio River, and to build its own powerplant. Its discussion with TVA at that time was on the question whether the proposed Reynolds powerplant could be interconnected with the TVA system.

Soon after this initial discussion, Reynolds informed TVA that it had changed its plans, that it had decided to purchase its electricity instead of construct its own powerplant. Among proposed sites Reynolds discussed were 3 in Kentucky—2 within the TVA power service area and 1 at Henderson, outside the TVA power service area. TVA could not, of course, make a proposal for supplying power to the Henderson site since it is outside TVA's service area. With respect to the other 2, TVA informed Reynolds it would make a proposal once Reynolds decided which of the sites it favored.

That was the situation when, in January of this year, Reynolds came back to TVA and notified the Authority that it had again changed its plans. Because of the sizable economies involved, it had decided to expand its 15-year-old facilities in Colbert County, Alabama, rather than locate a new plant elsewhere.

Reynolds' requirements at its new plant are 235,000 kilowatts, which TVA proposes to furnish at approximately 4.25 mills per kilowatt hour.

These facts disprove the claim that TVA enticed the new Reynolds plant into the TVA area and away from the Ohio Valley.

The Ohio Valley is doing remarkably well industrially, and particularly well in the matter of new aluminum production. Of course, those of us who believe in progress for all in an expanding national economy are happy to hear of this.

Last December the Kaiser Aluminum & Chemical Corp., announced plans to build a \$120 million aluminum reduction plant at Ravenswood, W. Va., on the Ohio River. Within the following month the Olin Mathieson Chemical Corp. announced plans to build an aluminum plant on the Ohio near Clarington, Ohio, also at a cost of \$120 million. So here is \$240 million worth of aluminum production facilities going into the great Ohio Valley.

These two companies, according to the New York Times of February 26, 1956, have contracted for power supply with the Ohio Power Co., a subsidiary of the American Gas & Electric, of which Mr. Philip Sporn is president. According to the Times this power will be made available "at about 4 mills a kilowatt-hour."

It is extremely interesting to note that just since last November Ohio Power Co. has received \$56.8 million worth of accelerated tax amortization certificates for new power-generating capacity at two locations only a few miles from the sites of the new aluminum plants. According to the Federal Power Commission these tax amortizations are equivalent to interest-free loans, which in this particular case total \$25 million. The total benefit to the Ohio Power Co. over a 33⅓-year period amounts to \$85 million.

It could be said, therefore, that expansion of the aluminum industry in the Ohio Valley is being accomplished by means of an \$85 million subsidy from the American taxpayer to the Ohio Power Co.

TVA, of course, cannot participate in this subsidy program of the Office of Defense Mobilization. It cannot avoid meeting its financial obligations to the Treasury, nor does it care to. On the contrary, it is meeting its obligations 46 percent ahead of schedule, as I have shown. Moreover, when capacity expansion is handled through use of power revenues, there is a double benefit: First, the investment is enhanced; and, second, additional investor funds are unnecessary.

The new Reynolds load is representative of the increasing power demand in the Tennessee Valley occasioned by industrial development and economic growth. TVA must take account of this increasing demand in planning its future. It must have the power on the line when it is needed. Whether the increased demand comes in one 235,000-kilowatt chunk such as the Reynolds load, or in chunks of 10, 15, or 20 smaller loads, the demand is there and TVA must meet it.

Surely the Congress is not going to put a ceiling on economic growth in the Tennessee Valley any more than it would put a ceiling on any other region of the country.

Surely the Congress is not going to tell American industry it cannot locate in the Tennessee Valley.

Surely the Congress will act responsibly, and accept this opportunity to support an agency of its own creation and without a cent of appropriation being necessary.

Mr. MAHON. Mr. Chairman, I yield 8 minutes to the gentleman from Pennsylvania [Mr. Flood].

Mr. FLOOD. Mr. Chairman, I take this time in order to point out to the committee how to balance the budget. Last year, this House and this Congress refused the request of the President and of the Department of Defense to cut the United States Marine Corps 15,000 men. At that time the Secretary of Defense withdrew a battalion of Marines

from the Sixth Fleet in the Mediterranean to save dollars and in the name of economy. Today that battalion went back on transports to join the Sixth Fleet. Now, the Congress of the United States rejected the demand that the Marine Corps be cut. The Secretary of Defense, however, 10 minutes after the Congress adjourned sine die issued a statement that regardless of what the Congress said he was going to cut the Marine Corps 15,000 men—and, Mr. Chairman, he cut it—15,000 men; period. This year, when he appeared before the appropriations' defense subcommittee, I brought up this problem. I asked him: "Did you consult the President about this?" He said, "No." I asked him: "Did you inquire of the Attorney General as to your constitutional rights under the circumstances?" He said, "No."

I asked him, "Did you bother to consult the General Counsel for the Department of Defense?" He said, "No."

I asked him, "Did you find it worth while or did you think you had occasion to consult anybody before you vetoed an act of Congress?" He said to me that he did not think it was necessary.

Well, Mr. Chairman, the Office of Secretary of Defense is a Frankenstein created by the Congress, and that is just retribution for our conduct.

Now let me tell you what happened. Here is the way the budget was out of balance by over \$10 million the day it was announced as balanced, because now, Mr. Chairman, let me read to you the request in this supplemental bill:

#### DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

Office of the Secretary of Defense: "Salaries and expenses," \$769,000.

Where is he going to get it? A budget request? Oh, no.

To be derived by transfer from the appropriation "Military personnel, United States Marine Corps."

That is the way to balance the budget.

What further?

"Office of Public Affairs," Department of Defense, \$27,500.

A request for a budget grant? Oh, no.

To be derived by transfer from the appropriation "Military personnel, Marine Corps."

What else?

Interservice activities: "Court of Military Appeals," \$41,400."

A budget request for money? Oh, no.

To be derived by transfer from the appropriation "Military personnel, Marine Corps."

What else?

Department of the Navy: "Servicewide supply and finance," \$7,400,000.

A request for money? Oh, no.

To be derived by transfer from the appropriation "Military personnel, Marine Corps." "Servicewide operations," \$2,180,000.

A request for money? Oh, no. Here is the way to balance the budget:

To be derived by transfer from the appropriation "Military personnel, Marine Corps."



Now, Mr. Chairman, if and when the situation arises that you reach that high estate of Secretary of Defense and it is incumbent upon you, for whatever reasons you have in mind, to balance the budget and to take advantage of whatever way you see wise in that great achievement, may I suggest you follow the established practice of the Department of Defense. Do not ask for money; transfer appropriations given by Congress to the United States Marine Corps.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield.

Mr. DAVIS of Wisconsin. I welcome the gentleman to the ranks of those who have been concerned and who have shown by our actions our desire to balance the budget, but the only thing lacking in his remarks is the fact that there is not one grain of sincerity in it.

Mr. FLOOD. I do not understand what the gentleman has in mind, because he has never established to me that he has practiced that standard.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Flood] has expired.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I rise to voice objection to the committee report telling the TVA that it believes TVA should use its power revenues to the extent necessary for the construction of new generating units and recommending that TVA so use its revenues.

TVA does not have the legal authority to use its power revenues for constructing new generating units without coming to Congress for specific legislative approval. The Appropriation Committee therefore does not have the authority to tell TVA to use its power revenues for such purposes, hence, in effect, the committee action is null and void because a law cannot be amended by just saying so in a committee report.

Under section 26 of the original TVA Act, TVA did have the authority to use its power revenues to construct new generating units without coming to Congress for specific approval for such use. However there appears to have been some feeling in Congress in 1935 that the authority given to TVA was being misused. In 1935 after extended hearings the House passed H. R. 8623, a bill to amend the TVA Act.

Section 26 of this House bill would have required annual appropriation by the Congress of any TVA power revenues to be used by TVA for operation or for construction of power facilities.

The Senate version of amendments for the TVA Act left section 26 in substantially the original form in that it permitted use of TVA power revenues for new construction without specific approval of the Congress.

Mr. Chairman, I was chairman of the Government Corporations Subcommittee of Appropriations in 1947 when that committee wrote into the appropriation bill certain limitations on TVA and how and where it could spend its revenues. I am sure that every Member of this Congress recognizes and feels his responsibility to the highest degree, but on occa-

sion in the desire to have one's way too often some things are forgotten that should be remembered. So I wish at this time to read an amendment to the basic TVA Act which was made law in 1947 and is still the law of the land. Here is the language. It is very simple and understandable, and regardless of what anyone says, nothing can be read into this language except exactly what it says and exactly what it means. It reads as follows:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects (except for replacement purposes) unless and until approved by act of Congress.

Mr. Chairman, anyone can understand that language, and I do not care how they want to twist it around to fit their own wishes, that language speaks for itself.

I remember well when that language was written into the bill, the committee decided the thing to do was to see to it that the TVA came to the Congress of the United States whenever they wanted authority to spend any revenues unless for replacements, and the language says that and nothing but that. Now certainly a complete new power unit is not replacement for anything, by any stretch of the imagination.

We are the lawmakers of the United States of America. If we, the lawmakers, refuse to stand up and defend and uphold the laws that we ourselves make, then America will soon be in a terrible bad fix.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question at that point?

Mr. JENSEN. I yield to the gentleman from New York.

Mr. TABER. Did the gentleman ever hear before of a committee report being an act of Congress?

Mr. JENSEN. I certainly never have, and I sincerely hope this attempt to do so will be the last of that kind of business.

The legislative history of the present section 26 of the TVA act as amended and of the 1943 limitation on the expenditure of TVA power revenues makes it clear that TVA has the authority to use its power revenues for the construction of replacement power facilities but does not have the authority to use power revenues for the construction of new power producing facilities without the specific legislative approval of the Congress. One of TVA's own proponents in Congress expressed this interpretation in these words:

The TVA cannot start one single new power facility; it cannot put \$1 of its income or any other funds into any new power facility, except by and with the advice and direction of Congress. (P. 10005, CONGRESSIONAL RECORD, July 14, 1954.)

We often hear TVA and its proponents state or infer that if it had not been for TVA the atom bomb might not have been developed or the aluminum for the plane that dropped the first bomb might not have been produced. Actually, the Oak Ridge plant of AEC could have been placed at many locations in the country where power was available. Also AEC constructed their own steam plant of

260,000 kilowatt capacity. TVA furnished a peak supply to AEC of 98,200 kilowatts in fiscal year 1944 and 273,800 kilowatts in 1945. The maximum was less than one-half of 1 percent of the total generating capacity of the utility industry, and just a little over one-fourth of the TVA capacity now being used for house heating in the TVA area. With regard to aluminum production, in 1939 the TVA area had 50 percent of the Nation's aluminum productive capacity, served in major part by the aluminum company's own power plants. By 1943 the TVA area was down to 19 percent of the Nation's productive capacity for aluminum. With TVA power supplying only part of 19 percent of aluminum capacity one wonders how TVA can claim pre-eminence in aluminum production.

Last year we heard testimony about what a wonderful record TVA had with its steam plants. It seems strange that the Federal Power Commission records would not list any TVA steam electric generating plant among the first 18 most efficient steam electric plants in the country. Of course, this is in keeping with the usual TVA propaganda.

At the hearing on the TVA request for \$3,500,000 to start construction of a new unit at the John Sevier steam plant I disclosed that TVA back in 1937 was trying to persuade the United States circuit court of appeals that it had a constitutional right to go into the power business by contending that such power operations only were incidental to navigation and flood control. The TVA statement to the court said that "The defendant Tennessee Valley Authority has disposed of and will dispose of only such electric energy as is generated from waterpower inevitably created by the operation of the said dams for navigation and flood control, and which is not needed for governmental purposes and which would otherwise be wasted"; and made other statements as to TVA authority and intent.

Of course we all know that TVA has not honored all their solemn statements made to the high United States court. The record since then leaves little alternative than to believe there was a deliberate attempt to deceive the court as to TVA's intentions. The record shows that 2 years earlier the TVA legal staff in preparing for the lawsuits then besetting TVA had a conference with the engineers on the question of what should and should not be said in engineering reports with reference to the power situation and the economic aspects of any water-control program which the Tennessee Valley Authority develops.

TVA officials had gone over a copy of the preliminary report on the proposed development of the Hiwassee River, indicating in pencil numerous deletions, changes, and qualifications which should be made in this report to avoid any implications of questionable or unconstitutional activities, with the thought in mind that a copy of one of these reports might be subpoenaed, or by other means get into the hands of the opponents of the Tennessee Valley Authority; and that this report, even as written, with considerable care to avoid



such questions, raises many doubts as to the planning of our approach in the whole matter of planning.

Among the suggestions reported to have been made by the TVA Legal Division were the following:

Tone down system power studies and avoid intimating that Tennessee Valley Authority has any power program \* \* \*.

Put all recommendations on a hypothetical basis and draw no conclusion as to whether they should be developed by the Tennessee Valley Authority or by other agencies. Make no specific recommendation for the development of a stream or a project, but rather carry the idea all the way through the report that it is just a possible scheme, without recommendation that it is the one to be considered.

Avoid any allocation of costs specifically to navigation, flood control, and power. No attempt should be made to allocate these costs in order to calculate the cost of generating power, but in event something must be said on this subject, to make the assumption that the dams, locks, reservoirs, and all appurtenances should arbitrarily be charged against navigation and flood control, and only the cost of power structures and generating equipment should be charged against power.

You may ask what this has to do with the present question on the TVA request for funds to continue the expansion of its power empire. It is to give Congress and the people just a small part of the long record of misrepresentation and subterfuge on the part of TVA in its expansion from the small navigation and flood-control development with incidental power that Congress was told would not cost more than \$150 million, into the present \$2 billion electric power empire.

Are we to set idly by while members of the same TVA legal staff, who told the TVA engineers not to admit that TVA had a power program, advise the TVA directors to figuratively thumb their noses at the Congress by spending the power revenues to construct new generating units without the approval of Congress, after Congress had specifically refused to approve such use.

It is too bad that Congress and the people of the Nation cannot have the whole record of TVA from its inception to the present. Reading the TVA annual reports and the almost limitless TVA publicity releases one would think TVA a haven of virtue and accomplishment. However the record gives quite a different story:

Flood control by permanently flooding out hundreds of thousands of acres of the most production lands of the Tennessee River Valley.

Pioneering of rural electrification by lagging behind the national average for more than 16 years, 3 out of 4 farms without running water, and farm use of electric energy below the national average even with the subsidized low power rate.

Distributors of TVA power operating in the red and with per customer average power use below the national average even under the subsidized low power rates.

Economic development that has not kept pace with economic and industrial development of other section of the South.

Unparalleled unified operation of a whole river basin which left several TVA reservoirs almost dry and which could not have happened under proper operation for navigation and flood control. The press has carried numerous stories and pictures of dry lakes.

A coal purchase policy that resulted in coal reserves for over 3 million kilowatts of TVA steam generating plant capacity being down to 12 to 16 days' supply. This has been characterized as criminal negligence. Normal utility practice is to carry 90 to 120 days' supply of coal on hand.

These and other records of TVA operations and results do not justify nor substantiate the many TVA claims of accomplishment.

It seems that the time long has passed to require the TVA to meet some of the many claims it has made in the past. TVA said its power rates were to be a yardstick, and would provide for interest at  $3\frac{1}{2}$  percent on the power investment, local, State, and Federal taxes equivalent to the rate paid by taxpaying utilities, depreciation, all operating expenses, and would amortize all the TVA investment.

Is there any valid reason why the TVA area should not pay their fair share of Federal taxes; why they should not pay the interest cost to the taxpayers on the funds advanced to TVA; why they should not provide for all, not just a part of the legitimate costs of doing business just like other utilities? Is there any valid reason why the area in which this Federal electric power empire can operate should not be prescribed? I think not and I am sure a majority of our people also think not.

TVA has relegated Congress to a back seat when it comes to control over the spending of taxpayers' money for power expansion.

On July 1, 1955, the Senate Appropriations Committee, by a decisive vote of 13 to 10, told TVA that it could not use its power proceeds for expansion purposes without congressional approval before the fact.

In spite of this clear directive, TVA has gone ahead and obligated Federal funds by issuing letters of intent covering the acquisition of major equipment for a fourth generating unit at its John Sevier plant. In clear defiance of Congress, it has stated openly that it believes it has the authority to expend its power revenues for this purpose without prior approval by Congress.

The history of the John Sevier steam plant is a case in point. On September 13, 1955, without coming to Congress for approval, TVA issued letters of intent covering the acquisition of major equipment for this plant. Some 5 months later, on February 8, 1956, Congress was notified of TVA's independent action when the Budget Bureau submitted its request for supplemental appropriations for fiscal 1956. Included among these requests was one from TVA for an initial appropriation of \$3.5 million to start construction work on a \$28 million addition to the John Sevier plant.

TVA has thus put Congress in a box. If Congress now denies TVA's request,

the Government, under the letters of intent TVA has issued, is liable for a major share of whatever costs have accrued in the 6-months period since these letters were issued. On the other hand, if Congress goes along with TVA's use of power revenues in this instance, it gives its tacit approval to the "act-first-get-permission-later" theory under which TVA has operated. In short, TVA has already made up Congress' mind that money shall be spent at John Sevier.

This current action by TVA reveals a shocking disregard for congressional authority. It indicates that Congress must tighten its control over TVA.

Clearly, the time has come to make certain that TVA's future actions are dependent upon the will of the Congress, rather than making congressional action dependent upon a condition of TVA liking and then submit it to the Congress, requesting the Congress to approve questionable actions on the part of the TVA.

#### HOW TO SELL SOMETHING YOU HAVEN'T GOT

Without question, the TVA area needs more power. Like every other section of the country, power demands in the area served by the Tennessee Valley Authority have grown by leaps and bounds in the past decade.

But, unlike other areas, Tennessee is compounding its power-shortage problems by stressing the ready availability of cheap electricity in its current, aggressive promotion campaign designed to attract new industry to the State.

For example, the New York Times for January 22, 1956, carried an advertisement of the Tennessee Industrial and Agricultural Commission with the bold type headline "Industrial Power as Low as 6.03 Mills Per Kilowatt-Hour." And a booklet put out by the Commission boasts:

Over the next 2 year, some  $2\frac{1}{2}$  billion kilowatts will be available in the TVA region for industrial development. Generally, TVA power rates are 30 percent to 45 percent below the national average. \* \* \* A recent study for a small northern manufacturer revealed that his annual power bill of \$16,128 could be reduced to approximately \$8,000 in Tennessee.

Thus we have the curious picture of an area, already caught in the pinch of a power shortage, yet actively engaged in luring still more large-scale users of power to the area. In effect, Tennessee is selling something it has not got—worse, is getting away with it.

The point is, of course, that if industry reacts favorably and locates in Tennessee, the resultant greatly aggravated power shortage can then be used as justification for increased Federal expenditures for the construction of additional powerplants. When these are built, the power they produce can be used as the basis for luring still more industry. This, in turn, will create new shortages which will be used as the excuse for building more generating plants. Once set in motion, this cycle can be repeated over and over again from now on at your expense Mr. Taxpayer.

These tactics might be condoned—and even admired as an excellent example of "gamesmanship"—were it not for one vital fact. And that fact is that TVA



has no responsibility under law for serving industrial customers. Its only function, under the authority granted it by Congress, is to make its surplus power available to its preferred customers—the municipalities, REA cooperative and federal agencies in the TVA area. Industrial firms are not “preference customers”—in spite of the fact that they buy their power from TVA at a rate 20 percent less than that paid by the preference customers who are supposed to have first claim to TVA power.

Last year, for example—according to TVA's annual report for fiscal 1955—slightly more than 6 billion kilowatt-hours of TVA electricity was sold to these private industrial firms. This amounts to 14 percent of TVA's total power production for the period. In view of the admitted power shortage in the area, it seems fair to wonder why TVA has not taken the obvious step of canceling its contracts with these nonpreference customers and letting them supply their own power needs either by purchase from companies outside the TVA area or by construction of their own powerplants. This simple—and justifiable—step would amount to increasing TVA's present power capacity by 14 percent without expending another cent of taxpayers' money for a new plant or an additional generator.

In short, in this instance, TVA might well heed the word of the late Senator George W. Norris—the father of TVA—who once said:

My own idea would be (that) before we would permit electricity to be used by Mr. Ford to make automobiles, it ought to be given to the people to light their homes, to cook their meals, to run their washing machines, at the lowest possible price. That comes nearer to giving it to everybody, because if you give it to one man to manufacture with, and he is in competition with a man who does not have that power, all he does is to just cut under the other fellow enough to sell his product, and he makes a big profit himself.<sup>1</sup>

If TVA could only bring itself to follow this advice—if it could only bear the thought of limiting its responsibilities to those outlined in existing legislation—it could do much to solve its own problems. For, as we have seen, the power shortage of the TVA area is largely self imposed: first, by the insistence of TVA on discharging a utility responsibility to non-preference industrial firms; second, by the activity of Tennessee in using the lure of cheap power to draw even more non-preference, large-scale users into the area from other sections of the country.

Instead of taking the obvious and logical steps, TVA has stubbornly refused to consider any other solution to the area's power shortage problem except that of continued expansion at the continued expense of the United States taxpayer.

(Mr. JENSEN asked and was given permission to revise and extend his remarks.)

<sup>1</sup> Muscle Shoals, hearings before Senate Agriculture and Forestry Committee, 67th Congress, 2d sess., on S. 3420, p. 525.

Mr. MAHON. Mr. Chairman, I yield 4 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. TABER. Mr. Chairman, I yield 3 minutes to the gentleman from West Virginia [Mr. BAILEY].

Mr. BAILEY. Mr. Chairman, I would like to express my thanks to the gentlemen on the majority and minority sides for their liberal offer of time. I can assure you I will not consume the full 7 minutes which have been allotted me.

Mr. Chairman, I have asked for this time in order to alert my colleagues in the House to a situation that is unusual indeed in this legislation. I refer to the item there where you are proposing to appropriate \$3½ million to the Atomic Energy Commission and then by provision in your committee report attempt to authorize the Atomic Energy Commission to use its surplus earnings in the construction of added facilities to produce power in the Tennessee Valley. Let me say that this is dangerous procedure, it is a very, very grave departure from the ordinary legislative procedures to attempt to do that and not put it definitely into legislation of some kind or to increase that item in the appropriation bill to the amount necessary to build this steam plant that the Tennessee Valley Authority is asking the privilege to build.

Let us see what is back of all of this. West Virginia, as you will recall, is the largest bituminous coal-producing State in the Union. We are vitally interested. We are interested, of course, in the construction of a steam plant, but let me say to you that this authority as I read it in the report does not confine itself to the construction of steam-plant facilities, it is not confined to this one project. It is giving authority to the Tennessee Valley Authority to build any type of structure it wants to build. It could even tap the Big Inch pipeline which runs from Texas to the East, pipe gas over there and produce electricity with this cheap gas from Texas. They could build additional hydroelectric plants out of their earnings.

As I remember it, they turned back last year unused about \$72 million of their earnings into the Treasury of the United States. If you are going to give them authority, let us confine it to this one particular project and not give them blanket authority to proceed to build any type of structure they want to build with no limit on time in which they might do this. They might continue for years. Unless the Congress took direct action they might continue for years to use every cent of that \$70 million a year earnings for plant expansion. It ought to be confined to the one particular plant in question that is involved in the appropriation of \$3½ million which everybody knows will not be sufficient to build this facility.

West Virginia, as I said before, is interested, its coal operators are interested, the coal miners of West Virginia are interested. Let me tell you just what is going on. The State of West Virginia lost a tremendously big plant of the Reynolds Metals Co. within the past 10 days or 2 weeks. Why? That plant is

going to Alabama. The argument was that they could get electric power from the Tennessee Valley Authority cheaper than they could get it in West Virginia. Papers were all drawn up to locate that plant in West Virginia, but all of a sudden, by reason of a lower bid for power from the Tennessee Valley Authority, West Virginia lost this tremendous plant which would have consumed 2 million tons of coal annually.

We are, therefore, vitally interested. We want to build some steam plants because it furnishes a market for coal, but we do not want to give blanket authority to build any other type.

I am speaking for the 30 or 31 congressional districts that have a tremendous amount of coal production and are vitally interested in this legislation. We want no part of it. We will either vote to recommit your bill or vote against it on final passage unless that point in the committee report can be clarified, confirming it to this one particular project.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. Does the gentleman know that the Kaiser Aluminum Co. is going to build a plant at Ravenswood, W. Va.?

Mr. BAILEY. Certainly I know it, a \$200 million or \$216 million plant. One is practically completed, and they are building an additional one. Yes.

Mr. JONES of Alabama. The gentleman from West Virginia stated, as I understood him to say, that the reason Reynolds gave for going to Muscle Shoals was the differential in power rates.

Mr. BAILEY. That is exactly right.

Mr. JONES of Alabama. On what authority does the gentleman tell the Committee that that was the deciding factor?

Mr. BAILEY. On the authority of the Appalachian Power Co., of West Virginia, who had the contract ready for the signature of the Reynolds Co., and they backed down at the last minute and said they were going to Alabama.

Mr. JONES of Alabama. The gentleman means the same company that obtained a tax amortization for \$36.6 million to construct its plant and given an interest-free loan in the amount of \$16 million to build the plant?

Mr. BAILEY. I do not know the details. I assume the gentleman is talking about the Appalachian Power Co.

Mr. JONES of Alabama. Yes.

Mr. BAILEY. That may be true. I am not discussing that angle of it at all.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. BAILEY. I yield to the gentleman from Michigan.

Mr. RABAUT. There is nothing involved here except the fourth unit at the John Sevier plant. The gentleman wanted to know if it was confined to this one thing. Yes, the budget estimate is confined to the one unit. There are three units in there, and this is the fourth unit at this plant.

Mr. BAILEY. Does the wording of the committee report tie it down to that?



That is the point I am raising, exactly. It does not.

Mr. RABAUT. That is all that is in the estimate; just dealing with this one subject.

Mr. BAILEY. Then, the gentleman is telling me that you are not giving blanket authority to the TVA to use those funds in the future for other expansions? I would like to have that question answered.

Mr. RABAUT. The TVA is not to do what the gentleman is talking about. The President endorsed three new units to existing projects and recommended appropriations to initiate one unit immediately. The committee believes that if funds are available for units at existing projects, such funds should be used instead of Congress making appropriations. I might say that all units will use coal.

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Oregon [Mr. ELLSWORTH].

Mr. ELLSWORTH. Mr. Chairman, I would like to direct the attention of the committee to the section of the bill having to do with the Bureau of Land Management and especially to the section of the report on page 22. I believe that the committee inadvertently struck some funds out of the budget request which should be included in this bill. I am going to submit some facts to the committee with the thought in mind that if the chairman of the subcommittee and the members can agree with me, perhaps an amendment might be accepted or offered by the committee on the floor.

The paragraph in the report under the heading "Bureau of Land Management" states, under the subheading "Construction," that:

The budget estimate of \$2 million for accelerating the access road program in the Oregon and California land grant area has been disallowed.

Now, let me explain to the committee that in the States of Oregon and Washington is produced more than half of all of the lumber and wood products used in the United States. About half of it comes from the State of Oregon.

Again, about half of that comes from the O. and C. area which is owned by the United States Government. About 70 percent of all the raw material for the production of these products comes from land owned by the Federal Government so that any money appropriated here for the Bureau of Land Management or for the Forest Service, tending to accelerate, to manage properly and efficiently this land of the United States which produces revenue in the form of money from the sale of timber—any appropriation made for that purpose is not an expenditure; it is merely an amount of money used in management. In other words, the money is returned 10 for 1.

With reference to the \$2 million for access roads, a rather unusual situation exists; and I believe the subcommittee may have overlooked it. That is, the \$2 million which the budget requested to be appropriated is actually money which belongs to the counties in the O. and C. land-grant area. The counties in the

State of Oregon in which this access road program is located, in which the O. and C. lands are located, are willing to have the Government's property increased in value by the creation of access roads through the use of \$2 million which otherwise would be paid to the counties. The Congress in this case would be merely taking \$2 million of county revenue and turning it over to the Bureau of Public Roads for the construction of access roads, \$2 million which otherwise would go to the counties.

When the regular appropriation bill for the fiscal year 1957 was before the committee, the committee very wisely agreed to increase the appropriation for the acceleration of timber sales in the area. The bill as passed by the House included money for access roads, \$4 million of the kind that I have just mentioned; money that belonged to the counties actually, but was put in the bill for the purpose of building access roads that I have mentioned.

Mr. Chairman, we are short of timber in this area which furnishes half of the lumber and other wood products of the United States, most of the timber cut comes from Government land. If we continue to be short of timber, you know what will happen under the law of supply and demand. The price of lumber and other wood products inevitably must go up. There is being created in this instance a condition of scarcity by failing to provide money necessary to properly manage the lands which furnish the raw materials for the wood products, thereby cutting down the supply of those products and increasing the price to the consumer all over the United States.

When the committee accelerated the program for the fiscal year 1957, that was a very good move, very sound. But the fiscal year 1957 begins July 1, 1957. The lumber and logging business is a seasonal business. The months of May and June are exceedingly important in the harvesting of the forest crop owned by the United States. So the Bureau of the Budget and the Department of the Interior very reasonably came to the committee and said, "Let us step the program up according to the season. Let us have some money in a supplemental bill to get this entire program going and not only for all of fiscal 1957 but beginning in May of 1956."

So I am appealing to the Committee to understand these facts, and to do precisely in a supplemental bill what was done, what was approved by the House in the regular bill, and move the entire acceleration of the timber harvest, on the O. and C. lands in particular, up for the 2 months of May and June.

What I have said also applies to the item for the Forest Service wherein \$200,000 was cut.

Mr. KIRWAN. Mr. Chairman, will the gentleman yield?

Mr. ELLSWORTH. I yield to the gentleman from Ohio.

Mr. KIRWAN. Mr. Chairman, when the committee came in with the regular bill it said that the bill provided more money than at any time in the history of this Nation for timber and for every other purpose in the bill. The sustained

yield is 780 million feet, and the gentleman wants to put the cut up above that. Sooner or later, that is going to come back down and will be disastrous to the industry.

Mr. ELLSWORTH. It should be understood that the amount we harvest in the national forests and on the O. and C. land is definitely limited by what we call the allowable cut. What the Department of the Interior seeks to do, and the Forest Service, is to harvest from those lands up to the allowable cut. If we do less than that, then the timber less than the allowable cut is wasted.

Mr. KIRWAN. I think the allowable cut is 780 million feet, and is being over-run while getting out damaged timber. You want to put it up higher.

Mr. ELLSWORTH. We want to put it up to the point which will be permitted on the basis of a proper inventory.

Mr. KIRWAN. It is probably beyond that now because of salvage.

Mr. ELLSWORTH. I do not have that figure. Does the gentleman refer to fiscal 1957, or the present date?

Mr. KIRWAN. At the present date and up to fiscal 1957, you want to put it up to 840 million board-feet. You will be coming in here in another year hollering, "Just look what we did."

Mr. ELLSWORTH. If the 840 is allowed on the basis of an up-to-date inventory that is the proper figure.

Mr. KIRWAN. Seven hundred and eighty is the sustained yield. If you go up to the other one you are going out of bounds. Then you are going to come back here in a couple of years and say we made a mistake. More money was given in the Interior Department bill for 1957 than at any other time. Had we given them \$50 million they would be in for a supplement and put 394 men to work and get a running start on next year. If the committee was with them and gave them \$50 million, they would say, "All right, come on with more money."

Mr. ELLSWORTH. After all, that is a perfectly logical and reasonable situation in the States of Oregon and Washington for the reason, that until quite recently the wood products industries were harvesting from lands owned by themselves under private ownership. That timber is virtually gone. Now the industry depends about 70 percent upon harvesting the crop of the national forests and O. and C. and the cut of Federal timber is increasing.

Mr. KIRWAN. That is what I said. When we doubled it for this next year we raised it \$2,400,000 for access roads in there. We went out of bounds in giving you the money. Now you want to come along and get a running start at it.

Mr. ELLSWORTH. Naturally we want to accelerate the operation to the sustained yield capacity of the land.

Mr. KIRWAN. You are up to that operation now. You want to go up beyond that.

Mr. ELLSWORTH. May I direct the gentleman's attention particularly to the \$2-million item, which I am sure he understands is money that actually belongs to the counties.



Mr. KIRWAN. I understand that. It will go back to the counties.

Mr. ELLSWORTH. Yes. They are very close to the situation. They understand exactly, much better than we do, what the situation is. They have said to the Department, to the Bureau of the Budget, and I guess to the committee, "We want you to take this money which is ours and which will go into our treasuries, and we would like to have you spend it on these roads because we need the employment, we need to keep the industry going." That is all we have asked.

Mr. KIRWAN. The appropriation for 1957 has been acted upon by the House. The net effect of allowing the supplemental funds would be to create a balance in the amounts provided for 1957 which would remain unobligated at the end of that fiscal year or be applied to construction program items of lower priority. Neither is considered necessary at this time.

Mr. ELLSWORTH. I disagree with the statement in the report. When the gentleman refers to roads of less priority, I think that is reaching out for a phrase because these roads are planned and they are all on approximately the same priority.

I do urge that you give this matter some further consideration and agree to put in the \$2 million.

Mr. MAHON. Mr. Chairman, I have no further requests for time.

Mr. TABER. I have no further requests for time, Mr. Chairman.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

#### CHAPTER I

#### DEPARTMENT OF AGRICULTURE Agricultural Research Service Salaries and Expenses

For additional amounts for "Salaries and expenses," as follows:

"Research," \$1,217,530;

"Plant and animal disease and pest control," \$1,527,780, of which \$500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e), and the Act of August 13, 1954, (7 U. S. C. 148), to the extent necessary to meet emergency conditions; and

"Meat inspection," \$1,048,690.

Mr. MACK of Washington. Mr. Chairman, I move to strike out the last word.

(Mr. MACK of Washington asked and was given permission to revise and extend his remarks.)

Mr. MACK of Washington. Mr. Chairman, I rise to concur in the statements just made by my friend and colleague the gentleman from Oregon [Mr. ELLSWORTH].

The Forest Service asked the committee for an additional \$500,000 to process the sale of additional federally owned timber. The Budget Bureau approved this request. The Eisenhower administration wants Congress to approve this \$500,000 for additional Forest Service timber sale processing.

Despite this the committee in this bill has cut the \$500,000 amount requested

to increase timber sales to \$200,000. This reduction of \$300,000 in the amount of money available to process more Federal forest timber for sale, in my opinion, was unwise and not good business.

When a piece of Federal timber is to be sold, an up-to-date cruise of the timber to be sold must be made. Then, the timber must be advertised for sale. After that, when the timber is cut by the successful bidder, Forest Service log scalers must scale the logs to make sure the Government receives from the logger all the money to which the Government is entitled. The doing of these things is called the processing. The cost of this processing timber for sale, experience reveals, averages \$1 a thousand board feet.

The Government, however, receives an average of \$13 a thousand board feet for the timber it sells. That is what the Government averaged, last year, on the sale of about 6½ billion feet of its Forest Service timber.

On the basis of these figures, whenever the Forest Service spends \$1 to process a thousand board feet of timber for sale the Federal Government obtains \$13 from the buyer for that thousand board feet of timber. Thus, on the \$1 invested in processing timber for sale the Federal Government makes a gross profit of \$12.

The Federal Government gives 25 percent or \$3 of that \$12 to the county government in the county where the timber was cut and the remaining \$9 goes into the Federal Treasury. Thus, the Federal Government when it spends \$1 to process the sale of 1,000 feet of timber makes a net profit of \$9. When one can make a profit of \$9 on each dollar spent, then spending is a good investment and not spending \$1 to make \$9 is folly.

If the committee had granted in this bill the full \$500,000 of additional timber processing funds requested by the Eisenhower administration, the Forest Service could sell an additional 500 million feet of timber. The Government would receive, at \$13 a thousand board feet, \$6,500,000 for that additional timber of which about \$1,500,000 would go to the counties and almost \$5 million into the Federal treasury.

The committee by cutting this appropriation to \$200,000 prevents the sale of an additional 300 million feet of timber that can and should be sold. The committee saves \$300,000 but loses the additional \$3,900,000 that this additional timber would bring were it sold.

This is a case where the Federal Government should spend money to make money. To pinch dollars and hold back the sale of timber that ought to be sold is unbusinesslike and a folly.

The Forest Service officials in testimony before your committee on this bill stressed that the Federal Government has much burned and blowdown timber in its forest reserves and that most of this additional \$500,000, if granted, would be employed to salvage blowdown and burned timber. Blowdown and fire-damaged timber deteriorates rapidly. The longer the Government delays in getting such timber out of the woods the greater the deterioration and the larger the Federal loss in potential revenues.

The Federal Government, today, owns and has under the jurisdiction of the Forest Service more than 400 million acres of commercial timberland. This commercial timberland if in one block would be 50 percent larger than the combined area of all 6 New England States. On these acres of Forest Service commercial timberland are growing 700 billion feet of timber. This timber, at \$13 a thousand board-feet, which was last year's average price, has a present value of \$9 billion.

Under the laws that govern the United States Forest Service operations, all this timber must be logged on a sustained-yield basis. By sustained yield we mean that whenever or wherever a tree is cut on Federal forest land a young tree must be planted to take its place.

The Forest Service can, its experts estimate, cut 9½ billion feet of timber each year from Federal forest commercial timberlands and by planting new trees to replace the old can have a perpetual Federal forest of 700 or more billion feet where 9½ billion feet always can be harvested annually.

Last year instead of cutting 9½ billion feet the Forest Service allowed the harvesting of about 6 billion feet and received \$71 million for that timber. This fiscal year, which ends July 1, the Forest Service estimates the cut will be about 7¼ billion feet and return an estimated \$101 million to the Federal Treasury. The additional cutting provides the Federal Government about \$30 million in additional revenue.

The more timber the Forest Service sells the more money the Forest Service must spend to process timber sales. Keep in mind, however, that for each \$1 spent for processing timber sales \$13 in timber revenues are obtained.

The timber of which I have been speaking is all in the Federal forests and none of it in national parks. The timber in national parks under the law cannot be sold or cut.

The United States Forest Service is the only agency of the Government which shows a profit. The post office and all other Federal agencies always lose money. The Forest Service, alone, operates with a profit. This profit helps decrease the amount of money that must be raised by taxes.

The Forest Service should, as rapidly as feasible, expand timber cutting up to the allowable annual sustained yield of our commercial forest lands which is estimated now at 9½ billion feet. This is almost 3 billion feet a year more than now is being cut. When the cut from National forests is increased to this 9½ billion feet a year as it someday should and will be, Federal timber revenues will be increased by \$50 million a year for every year thereafter. In 20 years this will mean increased revenues from timber of a billion dollars.

There are great stands of Federal timber which are overripe and deteriorating. Unless harvested in time, the old trees die and decay. If sold before decay sets in the Government obtains better prices for its trees and at the same time profits by planting young growing trees to replace old ones that no longer are growing.



The \$9 billion commercial forest our Government now owns if efficiently managed can provide the Nation with a perpetual crop of wood and in doing so can be a constant year-after-year source of increased employment for workers and of larger revenue to the Federal Treasury.

In forest management we must spend money to make money.

We earnestly trust that before this appropriation bill reaches final passage that the committee will reconsider its position on the \$500,000 requested by the Eisenhower administration for additional sale timber processing funds and provide the full \$500,000 amount requested instead of reducing this figure to \$200,000 as has been done in this bill.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

*National Park Service  
Construction*

For an additional amount for "Construction," \$3 million, to remain available until expended.

Mr. GROSS. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Mr. Chairman, I make a point of order against the language on lines 9, 10, 11, and 12, page 16, that it constitutes legislation on an appropriation bill; further, that it does not comply with Public Law 361, 83d Congress, approved May 17, 1954. In those respects the money to be appropriated here is subject to certain restrictions under the law.

I read subsection (b):

The authorization for the appropriation contained in subsection (a) shall not be effective until such time as, (1) the receipts of the Government for the preceding fiscal year have exceeded the expenditures of the Government for such year, as determined by the Director of the Bureau of the Budget; or, (2) the Budget submitted to the Congress by the President under the Budget and Accounting Act of 1921 reveals that the estimated receipts of the Government for the fiscal year for which such budget is submitted are in excess of the estimated expenditures of the Government for such fiscal year.

I maintain that the appropriation herein set forth does not comply with this act.

The CHAIRMAN. Does the gentleman from Texas [Mr. MAHON] desire to be heard on the point of order?

Mr. MAHON. Mr. Chairman, the point of order is not well taken, because the provision is authorized by law. Public Law 361, approved May 17, 1954, provides that when a balanced budget is submitted, then this project will be in order. The President has submitted a balanced budget, estimating that the 1956 budget will be balanced plus \$200 million, and the 1957 budget will be balanced plus \$400 million.

I agree this is a very unusual provision, but it does seem that the language complained of is not subject to a point of order for the reasons pointed out.

The CHAIRMAN. Will the gentleman from Texas point out to the Chair where in Public Law 361 there is authorization for the language at the end

of the paragraph: "To remain available until expended"?

What authority is there in the act for that language?

Mr. MAHON. In my judgment, Mr. Chairman, there is no authority in the act for those words.

The CHAIRMAN. Then the Chair is ready to rule.

Mr. KARSTEN. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. Can the gentleman supply to the Chair what the Chair sought from the gentleman from Texas?

Mr. KARSTEN. The Chair seeks to establish the basis for including the words "to remain available until expended." That is common for all appropriations, I should think.

The CHAIRMAN. I am afraid I shall have to disagree with the gentleman.

Mr. KARSTEN. May I be heard further on the point of order?

The CHAIRMAN. Yes; the Chair will hear the gentleman briefly. That information would certainly enable the Chair to reach a decision.

Mr. KARSTEN. The point of order, as I understand, is made that the budgetary requirements have not been met. Is that the basis of the point of order?

Mr. GROSS. And also—

The CHAIRMAN. Let us get the record straight. The complaint was that the language "to remain available until expended" was subject to a point of order. That was the objection, among other things, raised by the gentleman from Iowa.

Mr. GROSS. That is right.

Mr. KARSTEN. In my opinion, Mr. Chairman, I feel that the language of authorization is broad enough to include those words; and I would like to address myself to the major point raised by the gentleman from Iowa, if the Chair will indulge me for just a moment.

The CHAIRMAN. The Chair looked very carefully for this language and the Chair repeats what he said before, that he does not agree with the gentleman. The Chair does not find anything in (b) of section 4 of Public Law 361 that would lead anybody to that conclusion.

Mr. KARSTEN. Will the Chair hear me further on the point of order?

The CHAIRMAN. Yes; briefly.

Mr. KARSTEN. Anticipating that this question would be raised, on January 31 I contacted the Director of the Bureau of the Budget and talked with him. I cited the two appropriations that were contained in this act. He was familiar with this law. He told me that in his opinion the second condition had been met and that no legal prohibition existed for the appropriation of these funds.

I have here in my hand a letter from the Assistant Director of the Bureau of the Budget which I will be glad to read if the Chair wishes.

The CHAIRMAN. The Chair does not care to hear it, because we have not reached the time when we accept a letter from some bureaucrat as to what the law is.

When it is explained as it is to me, the Chair is ready to rule.

The gentleman from Iowa makes the point of order that the language contained on page 16 which reads: "For an additional amount for construction, \$3 million, to remain available until expended," is subject to a point of order because there is no authorization which justifies the committee placing that language in the bill.

The Chair sustains the point of order.

Mr. MAHON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MAHON: On page 16, line 9, insert the following:

"National Park Service: Construction: For an additional amount for construction \$3 million."

Mr. GROSS. Mr. Chairman, I renew my point of order.

The CHAIRMAN. Will the gentleman state the point of order?

Mr. GROSS. Mr. Chairman, I make the point of order that the wording of the amendment does not comply with Public Law 361 of the 83d Congress, 2d session, chapter 204, approved May 17, 1954.

The CHAIRMAN. The Chair is ready to rule.

It is a matter of public knowledge that the budget submitted by the President is a balanced budget; therefore, the Chair feels that subsection 2 (b) of section 4, Public Law 361, has been complied with. The point of order is overruled.

Mr. MAHON. Mr. Chairman, this portion of the bill has been studied carefully and approved by the subcommittee and the full Committee on Appropriations has also approved this item. I have no desire to further argue the point.

Mr. GROSS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Texas [Mr. MAHON].

Mr. Chairman, I do not know that anyone in this House today can tell before the end of this session whether we will or will not have a balanced budget. It seems to me, if my memory serves me correctly, that the balanced budget which we have heard about as coming from the White House is contingent upon whether, among other things but chiefly upon whether, this Congress passes a postal rate increase bill to increase postal rates.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. MAHON. I think it is clearly possible that we will not have a balanced budget, but that is not the yardstick which is being used. The President submitted in his budget document to the Congress a balanced budget. The provision of the law is that "if the budget submitted to the Congress by the President under the Budget and Accounting Act of 1921 reveals that the estimated receipts of the Government for the fiscal year for which such budget is submitted is in excess of the estimated expenditures of the Government for such fiscal year," therefore it is not a question of whether or not the budget will ultimately be balanced but whether or not the President submits a balanced budget. The Presi-



dent did, as is public knowledge, submit a balanced budget.

Mr. KARSTEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. KARSTEN. Mr. Chairman, I took this up with the Budget Bureau and they quoted some figures which I shall state to the gentleman from Iowa:

"Answering your specific question, the budget for the fiscal year 1957 shows estimated budget receipts of \$66.3 billion and estimated expenditures of \$65.9 billion," which would indicate that provision of the law has been met.

Mr. GROSS. I take it from the arguments on the part of both gentlemen that this law could well be set aside, as apparently it will be in this case, simply by someone—the President of the United States—estimating that we are going to have a balanced budget, not whether in truth and in fact we will have a balanced budget. We might just as well never enact this kind of legislation if it has no more meaning than what the gentlemen have stated.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. I am sure that the gentleman understands this request for \$3 million was made by President Eisenhower, who as President of the United States is certifying that there will be a balanced budget.

Mr. GROSS. Let me say to the gentleman from New York that I am not concerned with who made the request for the \$3 million.

Mr. DAVIS of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. It seems to me that the ruling of the Chair is eminently correct. Any budget submitted by the President must be based on the estimated income and outgo. If that were not true, and if that could not be the ruling of the chair based on those estimates, then any time the chair ruled on the application of this law he would do so in peril because it may turn out at the end of the fiscal year that we had a balanced budget.

Mr. GROSS. Let me say to the gentleman that I do not question the ruling of the chair. I do say that clearly it was the intent of the Congress that this money not be appropriated unless the budget was assuredly in balance. Does not the gentleman agree with me on that point?

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. I would not agree with the gentleman. As a matter of fact, I ask the Members of this House how many times has some group come in and submitted themselves to such a limitation? The spirit is complied with. We did not want to come in until it looked like the budget was going to be balanced. The budget is proposed to be balanced, and now we have come in and the administration has agreed and the committee

has agreed that this is a worthy request.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. MAHON. Does not the gentleman feel that no President, particularly the present President, would submit to the Congress a balanced budget other than in good faith? I think if we do not accept good faith, if we cannot accept sincerity and honesty in fiscal matters from the Chief Executive, whoever he may be, the gentleman's point is well taken. But, as long as the budget is submitted in good faith, there should be little room for serious abuses.

Mr. GROSS. Will the gentleman say, as he stands here today, that this House is going to pass a postal rate increase bill that will balance the budget? Is he standing here today saying that?

Mr. MAHON. I very much fear that the budget will not be balanced, but I do believe that the President submitted in good faith a balanced budget. Of course, there were several contingencies such as passing certain tax legislation, rates, et cetera.

Mr. GROSS. I am opposed to this expenditure for the purposes stated in Public Law 361. Here is what the taxpayers of the country will contribute to this project in St. Louis: \$1,875,000 for the relocation of railroad tracks and other railroad facilities; \$1,125,000 for grading and filling along the Mississippi River waterfront; \$500,000 for landscaping; \$900,000 for paving, utilities, and so forth, and \$600,000 for restoration of what is known as Old Courthouse. That is a total of \$5 million so we can look forward to further heavy expenditures of taxpayer money in behalf of the civic improvement of St. Louis.

Members of the House may well ask themselves how many millions of dollars the Federal Government is spending toward the relocation of railroad tracks and otherwise financing civic improvements in the cities and towns of their districts.

This bill also contains funds for the start of construction of a new State Department building in Washington to cost many millions of dollars. Yet with all this projected spending, including a big increase in the foreign handout program, there is talk here today of a balanced budget. Let us not deceive ourselves—either Congress must call a halt to some of this spending or write off completely any thought of balanced budgets in the future.

I am opposed to this bill and will so vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. MAHON].

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 59, noes 26.

So the amendment was agreed to.

The Clerk read as follows:

*Department of the Army—Civil Functions*  
Rivers and Harbors and Flood Control  
Operation and maintenance, general

For an additional amount for "Operation and maintenance, general," to remain available until expended, \$15,350,000, of which

\$15,000,000 shall be available for carrying out the provisions of the act of June 28, 1955 (Public Law 99).

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN of Michigan:

On page 19, line 20, strike out "\$15,350,000" and insert in lieu thereof "\$15,375,000."

And on line 22, before the period, insert the following: ", and of which not more than \$25,000 shall be available for the dredging of the Kalamazoo River where it flows into Lake Michigan."

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks.)

[Mr. HOFFMAN of Michigan's remarks will appear hereafter in the Appendix.]

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield to the gentleman from Michigan.

Mr. RABAUT. Is that \$25,000?

Mr. HOFFMAN of Michigan. That is all it is.

Mr. RABAUT. I have no objection to it, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. HOFFMAN].

The amendment was agreed to.

Mr. MAHON. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. MAHON. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.



The SPEAKER pro tempore. The question is on passage of the bill.

Mr. BAILEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the "ayes" appeared to have it.

Mr. DAVIS of Wisconsin. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that further proceedings on the pending bill (H. R. 10004) be postponed until tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

#### GENERAL LEAVE TO EXTEND

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members speaking on the bill H. R. 10004 be permitted to revise and extend their remarks and to include brief excerpts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### DISTRICT OF COLUMBIA REVENUE ACT OF 1956

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 428 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9770) to provide revenue for the District of Columbia, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the District of Columbia, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on the District of Columbia, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on the District of Columbia may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN], and yield myself such time as I may consume.

Mr. Speaker, this resolution provides for the consideration of the revenue bill for the District of Columbia. It is a tax bill. The rule that is here offered to the House is the usual rule on tax bills. It is a closed rule, and provides for 2 hours of general debate.

Mr. Speaker, I have no requests for time.

Mr. BROWN of Ohio. Mr. Speaker, the gentleman from Virginia has stated the purpose of this resolution, which would make in order the consideration of the bill H. R. 9770, with 2 hours of general debate, under a so-called closed rule, which is usually granted for the consideration of tax bills.

I have no requests for time, Mr. Speaker.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to, and a motion to reconsider was laid on the table.

#### REPUBLIC OF PAKISTAN

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 223) to extend greetings to Pakistan.

The Clerk read the title of the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

Whereas it is the policy of the Government of the United States to encourage the orderly development of free, democratic institutions among our friends and allies, and

Whereas the people of the United States and the people of Pakistan have established friendly ties; and

Whereas the Government of the United States and the Government of Pakistan have jointly collaborated in collective defense efforts to preserve the peace; and

Whereas the Pakistan Constituent Assembly has recently approved a constitution establishing Pakistan as a Republic on March 23, 1956: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring)* That the Congress of the United States extend its most cordial greetings and warmest congratulations to the new Pakistan National Assembly and to the people of Pakistan on the occasion of Pakistan's establishment as a Republic, and reaffirm the friendship of the United States for the people of Pakistan.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

Mr. GROSS. Reserving the right to object, Mr. Speaker, I should like to know something about this resolution.

Mr. RICHARDS. This is a simple resolution congratulating and felicitating the people of Pakistan upon the establishment of the Republic by the Constituent Assembly and the ratification of the adoption of the constitution of Pakistan which will take place on March 23 next.

This is the kind of resolution that I believe the Congress and the American people would like. When in the course of human events around this earth a people have established their independ-

ence and declared themselves a democracy as a self-governing country, it has always been the custom of the United States to felicitate and congratulate the new nation when it comes into being. That is all the resolution does.

Pakistan became a sovereign nation when the British withdrew from India in 1947. Until the adoption of a constitution in February of this year, Pakistan has been governed under a provisional constitution based upon the British-promulgated Government of India Act of 1935. The democratic processes followed under the provisional constitution have been enlarged and incorporated in the new constitution. Provision is made for a unicameral legislature, elected by popular vote. Individual liberty, equality before the law, and freedom of worship are guaranteed. Fundamental rights are enforced by an independent judiciary.

The people of the United States and the people of Pakistan have established friendly ties and their Government has joined with us in collective efforts to preserve the peace.

It is indeed fitting that when the Republic of Pakistan is formally established under its constitution on March 23 that we extend the congratulations and greetings of the United States Congress, on behalf of the American people, to the new Pakistan National Assembly, to President Iskander Mirza and to the valiant and courageous people of that great country. With this thought and purpose in mind, the Committee on Foreign Affairs this morning unanimously voted to report House Concurrent Resolution 223, to extend greetings to Pakistan. I urge its immediate adoption by the House.

Mr. GROSS. This does not provide for the United States buying some more rice, of which we have a tremendous surplus in this country, from Burma to give to Pakistan?

Mr. RICHARDS. It does not provide for buying or selling anything or giving anything away.

Mr. GROSS. I am glad there is one bill from the Committee on Foreign Affairs that does not provide for giving something away. I congratulate the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

Mr. VORYS. Reserving the right to object, Mr. Speaker, and I shall not object, I congratulate the gentleman from South Carolina on bringing to the floor this concurrent resolution, which our administration is eager to have passed promptly, because the new Republic is to go into effect, as I understand, on Friday, March 23. Mr. Speaker, I wish to join with our chairman [Mr. RICHARDS] in urging unanimous approval of this resolution congratulating the people of Pakistan upon their becoming a Republic next Friday, March 23. This resolution was recommended by the administration and was unanimously approved by our committee.

I doubt if all of us realize the tremendous task in political science that faced the leaders of Pakistan in creating a rep-



representative government for a country separated physically into two divisions a thousand miles apart. I believe these statesmen built wisely and well, from the information I have obtained. They have built strength into their institutions and have guaranteed freedom not only for their Republic but for its individual citizens.

I remember vividly our meeting with General Mirza, who is the first President of Pakistan, when Mr. RICHARDS and I were in Karachi over a year ago. I was impressed then with his strong, magnetic personality, his broad vision, his practical commonsense, his devotion to the cause of the free world. He is a stouthearted leader of a stouthearted people. This new Republic stands guard in a strategic place on the frontiers of the free world. We can rejoice in her new-found freedom, confident that in safeguarding her own liberty she will be helping to protect ours.

(Mr. RICHARDS and Mr. VORYS asked and were given permission to revise and extend their remarks.)

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The concurrent resolution was agreed to, and a motion to reconsider was laid on the table.

#### TAFT-HARTLEY LAW

(Mr. DINGELL asked and was given permission to address the House for 1 minute.)

Mr. DINGELL. Mr. Speaker, I have today introduced a bill to repeal section 14 (b) of the Taft-Hartley law. That is the provision which permits States to enact the so-called right-to-work laws.

That provision has been called immoral by labor leaders, by churchmen, and by other citizens, who think deeper than the mere title of the laws passed by the States under the authority given in that section.

As said by Rabbi Israel Goldstein, president of the American Jewish Congress:

The term "right to work" in these statutes is a fraud and a misnomer to conceal their true purpose; \* \* \* these statutes do not guarantee anyone the right to work but represent merely an attempt to capitalize on the hopes raised by a guaranteed right to work in order to restrict or outlaw completely all forms of union security arrangements worked out in collective bargaining by labor and management.

I wholeheartedly agree with Rabbi Goldstein's very carefully expressed thought. It is my feeling that the right to work embodied by such a law is only the right to work at the complete mercy of employers free from the protection which the unions offer.

Despite high-sounding phrases to the contrary, the real purpose of that section of the law is to hamper and cripple the unions in their dealings with the employees. The right to work laws aim at the return to the days when workers used to seek employment on the employers' terms; where the worker never had the right to raise any question as to wages, or conditions of employment. These so-called right to work laws recognize that the "right of the worker to bargain in majestic and poverty-stricken aloofness for the wages of his service is a right of which he cannot be deprived," as was said in a famous early opinion in our Supreme Court.

The proponents of the Taft-Hartley law overlooked the fact that not only does a union have the duty to represent employees who are members but who are nonunionized, as well as it represents its own members, but that it does do so. They also overlooked, in their shortsightedness, the fact that the great prosperity which we in America now enjoy has existed only since the workingman achieved a position of relative economic well being. They also lose sight of the direct and overwhelming causal effect which the unions by their activity on his behalf have had on giving to the worker and the little man this high standard of living.

In the language of a distinguished member of the Catholic clergy, Father William J. Kelley, O. M. I., L. L. D., who for more than 10 years chairman of the New York State Labor Relations Board, and is now assigned to teaching at the Oblate Scholasticate at Catholic University, in Washington, D. C.:

Similarly, I am in company with such scholars as Rev. William J. Smith, S. J., Rev. Benjamin Masse, S. J., and Rev. Louis Twomey, S. J. Also, Rev. Dr. John Cronin and Msgr. George Higgins. I am also in the company of the editors of the St. Louis Register, official organ of the Archdiocese of St. Louis, whose language is:

"The avowed purpose of the right-to-work bill in Missouri is to protect the worker from paying dues against his will as a condition of employment."

"The actual purpose is to hamstring unions."

"The real aim of this campaign, although it pretends to be interested in protecting the individual worker, is to destroy unions by making them ineffective."

Based on this analysis of the law and principal arguments of the proponents, I hold that these right-to-work laws take away from man a necessary means to achieve and protect his God-given right of association.

1. Right-to-work laws are immoral according to Catholic social teaching.

2. No man or woman of good will should contribute money to proponents of this legislation to defray 'the educational campaign expenses.' To contribute financial aid would be morally wrong.

3. All good men and women, Protestants, Jews, and Catholics, should seek by every just means to get such right-to-work laws repealed and should oppose them whenever they are proposed.

4. Men of good will should not be a party to or cooperate with the proponents of right-to-work laws.

5. The right-to-work bills don't guarantee the individual any right at all. They provide him with an opportunity to work alone, to work at less than union wages.

6. The right-to-work laws recall the American plan or open-shop plan of 1920-24, which led to low wages, strikes, industrial unrest.

7. The right-to-work laws may well be an invitation to disaster of the general welfare. Leo XIII points out the preeminent position of legislators:

"Some there must be who dedicate themselves to the work of the commonwealth, who make the laws, who administer justice, whose advice and authority govern the Nation in time of peace and defend it in war."

Such men clearly occupy the foremost place in the State and should be held in the foremost estimation, for their work touches most nearly and effectively the general interest of the community."

I appeal to the legislators of the 17 States to repeal the right-to-work bills now in existence.

I can find no more powerful way to conclude these conclusions than by the following quotation of Pope Pius XII:

"Neither collective bargaining nor arbitration, nor all the directives of the most progressive legislation will be able to provide a lasting labor peace unless there is also a constant effort to infuse the principles of spiritual and moral life into the framework of industrial relations."

Further there is no statistical proof that these laws have benefited employers, raised income, or increased job opportunity. Quite the contrary, statistics show that areas, like my own State of Michigan, where we have no such law, enjoy such great opportunity for employment and high wages that there is a constant flow of migrants to those areas from most of the States which have right-to-work laws. Despite this our Michigan corporations are enjoying record earnings and profits.

In conclusion, I want to emphasize that both the union shop and the closed shop are perfectly legitimate forms of organized labor. As so aptly stated by the executive committee of the Federated Churches of Christ in America, in the statement *The Church Looks at Industrial Relations*, 1949:

Where either the closed or the union shop emerges with proper safeguards as the result of collective bargaining, we believe the agreement arrived at on this point should be approved and supported by church people.

It is clear that laws which strike at this perfectly proper result of collective bargaining are aimed at only one thing, the destruction of the unions and the return of America to the poverty and privation enjoyed by our working classes before workers banded together in unions to better the conditions of their employment.

For this reason I urge early and favorable consideration of my bill.

#### DISTRICT OF COLUMBIA REVENUE ACT OF 1956

Mr. McMILLAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9770) to provide revenue for the District of Columbia, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9770, with Mr. CHATHAM in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. McMILLAN. Mr. Chairman, I yield to the gentleman from Virginia [Mr. SMITH], the chairman of the subcommittee handling this bill, such time as he may care to use.

Mr. SMITH of Virginia. Mr. Chairman, this is a revenue bill, a tax bill.







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 22, 1956  
For actions of March 21, 1956  
84th-2nd, No. 50

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HIGHLIGHTS: House passed second supplemental appropriation bill for 1956. House agreed to Senate amendments to bill extending school milk and brucellosis eradication programs through 1958. Sen. Anderson questioned Department's estimate of minimum support level under farm bill for basic crops. Sen. Capehart and Rep. Harvey introduced and discussed bills to increase industrial use of agricultural surpluses.

## HOUSE

APPROPRIATIONS. Passed with amendments H. R. 10004, the second supplemental appropriation bill for 1956. p. 4680 (For items of interest to this Department, see Digest 46.)

2. SCHOOL MILK; BRUCELLOSIS ERADICATION. Rejected the conference report on H. R. 8320, to extend the school milk and brucellosis eradication programs, and adopted the Senate amendments thereto (pp. 4680, A2553). The Senate amendments provided for the extension of the school milk and brucellosis eradication programs through the fiscal year 1958 and increases in funds available for the programs, the extension of the milk program to certain nursery schools and non-profit organizations, and the extension of the surplus dairy products disposal to the VA and armed services through 1958. This bill is now ready for the President.
3. TOBACCO. Rep. Wilson, Ind., criticized the use of inferior and stem tobacco in the manufacture of cigarettes and suggested that an investigation be made of the possible harmful effects of this process of manufacture. p. 4679
4. DAIRY INDUSTRY. Rep. Andersen paid tribute to D. T. Carlson as a leader in the dairy industry. p. 4680



5. BANKING AND CURRENCY. Rep. Reuss spoke in favor of his bill H. R. 10080, to provide for the payment by the U. S. Treasury of unpaid principal and interest, up to the date of receivership, of bonds of six joint stock land banks which failed in the 1920's and 1930's. p. 4706
6. MONOPOLIES. Rep. Patman, in a speech favorable to H. R. 11, to prohibit certain price discriminations, cited the support of the Cooperative League to this measure. p. 4712
7. ELECTRIFICATION. Both Houses received the annual report of the Federal Power Commission; to the Interstate and Foreign Commerce Committee. pp. 4714, 4638
8. TRANSPORTATION. The Merchant Marine and Fisheries Committee reported without amendment H. R. 7874, to provide for transportation of passengers and merchandise on Canadian vessels between certain points within Alaska and the U. S. (H. Rept. 1928). p. 4714
9. PROPERTY. The Government Operations Committee adopted a report, "Real and Personal Property Inventory Report" of the U. S. government (H. Rept. 1930). p. 4714

#### SENATE

10. FARM PROGRAM. Sen. Anderson questioned the accuracy of figures released by the Department of estimated minimum support levels for basic crops and dairy products under the farm bill, S. 3183, and offered computations he had made to support his position. p. 4676  
For a summary of the provisions of the farm bill as passed by the Senate see the attachment to this Digest.
11. FORESTRY. The Agriculture and Forestry Committee ordered reported without amendment the following bills: p. D267  
H. R. 374, to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest.  
H. R. 1855, to authorize the Secretary of Agriculture to (1) require, whenever it is determined to be in the public interest, that satisfactory cooperative arrangements be made before any research is undertaken by the Forest Service; (2) establish a Forest and Range Research National Advisory Committee; (3) advance funds to cooperators when cooperative research work will be stimulated or facilitated by so doing; and (4) pay from Forest Service research activities funds the travel and subsistence expenses of the members of the Forest and Range Research National Advisory Committee in connection with their attendance at meetings for the purpose of performing their duties.
12. WATER CONSERVATION. The Agriculture and Forestry Committee ordered reported without amendment H. R. 7236, to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act with respect to water conservation practices. p. D267
13. SEEDS. The Agriculture and Forestry Committee ordered reported with amendment S. 1688, to prescribe civil penalties for violations of the Federal Seed Act. p. D267
14. PUBLIC LANDS. The Agriculture and Forestry Committee ordered reported with amendment S. 2246, to authorize the sale of certain lands to the city of Wall, S. Dak.; and without amendment H. J. Res. 112, to release reversicary right

84TH CONGRESS  
2D SESSION

# H. R. 10004

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IN THE SENATE OF THE UNITED STATES

MARCH 21 (legislative day, MARCH 19), 1956

Read twice and referred to the Committee on Appropriations

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## AN ACT

Making supplemental appropriations for the fiscal year ending  
June 30, 1956, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, to supply sup-
- 5 plemental appropriations (this Act may be cited as the
- 6 "Second Supplemental Appropriation Act, 1956") for the
- 7 fiscal year ending June 30, 1956, and for other purposes,
- 8 namely:

## CHAPTER I

## DEPARTMENT OF AGRICULTURE

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:

"Research", \$1,217,530;

"Plant and animal disease and pest control", \$1,527,780, of which \$500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e), and the Act of August 13, 1954, (7 U. S. C. 148), to the extent necessary to meet emergency conditions; and

"Meat inspection", \$1,048,690.

## AGRICULTURAL CONSERVATION PROGRAM SERVICE

The unobligated balance of the amount made available under this head in the Supplemental Appropriation Act, 1956, shall, subject to the same conditions, remain available until December 31, 1956, for the same purposes, for emergency measures to restore farm lands damaged by hurricanes and excessive floods, and for reimbursement to the appropriation to the President for "Disaster relief", for allocations to the Secretary of Agriculture for such purposes.



## 1 FARMERS' HOME ADMINISTRATION

## 2 LOAN AUTHORIZATIONS

3 For loans under title V of the Housing Act of 1949, as  
4 amended, \$5,000,000, to remain available until expended:  
5 *Provided*, That not to exceed the foregoing amount shall be  
6 borrowed from the Secretary of the Treasury in the manner  
7 authorized under this head in the Department of Agriculture  
8 Appropriation Act, 1952.

## 9 SALARIES AND EXPENSES

10 For an additional amount for "Salaries and expenses",  
11 \$1,350,000.

## 12 COMMODITY CREDIT CORPORATION

13 The limitation under this head in the Department of  
14 Agriculture and Farm Credit Administration Appropriation  
15 Act, 1956, on the amount available for administrative ex-  
16 penses of the Corporation, is increased from "\$26,000,000"  
17 to "\$30,500,000."

## 18 CHAPTER II

## 19 DEPARTMENT OF COMMERCE

## 20 BUREAU OF THE CENSUS

## 21 SALARIES AND EXPENSES

22 For an additional amount for "Salaries and expenses",  
23 \$503,000, of which \$75,000 shall be derived by transfer  
24 from the appropriation granted in the Department of Com-

1 merce and Related Agencies Appropriation Act, 1956, for  
2 "Census of agriculture".

### 3 MARITIME ACTIVITIES

#### 4 SHIP CONSTRUCTION

5 The limitation under this head in the Department of  
6 Commerce and Related Agencies Appropriation Act, 1956,  
7 on the number of cargo ships for replacement, for which  
8 payment may be made for construction-differential subsidy  
9 and national-defense features, is increased from five to twenty.

#### 10 OPERATING-DIFFERENTIAL SUBSIDIES

11 For an additional amount for "Operating-differential  
12 subsidies", \$30,000,000, to remain available until expended.

### 13 BUREAU OF PUBLIC ROADS

#### 14 FEDERAL-AID HIGHWAYS

15 For an additional amount for "Federal-aid highways",  
16 to remain available until expended, \$100,000,000, which  
17 sum is a part of the amount authorized to be appropriated  
18 for the fiscal year 1955.

#### 19 FOREST HIGHWAYS

20 For an additional amount for "Forest highways", to  
21 remain available until expended, \$3,000,000, which sum is  
22 a part of the amount authorized to be appropriated for the  
23 fiscal year 1956.

## 1 NATIONAL BUREAU OF STANDARDS

## 2 PLANT AND EQUIPMENT

3 Not to exceed \$15,000 of the appropriation granted  
4 under this head in the Department of Commerce and Related  
5 Agencies Appropriation Act, 1956, shall be available for  
6 necessary expenses for the acquisition of land necessary for  
7 the operation of a radio propagation field station in the  
8 Territory of Hawaii.

## 9 CHAPTER III

## 10 DEPARTMENT OF DEFENSE—MILITARY

## 11 FUNCTIONS

## 12 DEPARTMENT OF THE NAVY

## 13 AUDITED CLAIMS

14 Applicable current appropriations of the Department  
15 of the Navy shall be available for the payment of claims  
16 certified by the Comptroller General to be otherwise due,  
17 in the amounts stated below, from the following appro-  
18 priations:

19 “Pay, subsistence, and transportation, Navy”, fiscal  
20 year 1943, \$7,070.23;

21 “Transportation of things, Navy”, fiscal year 1948,  
22 \$1,108.12;



1           “Maintenance, Bureau of Supplies and Accounts,  
2       Navy”, fiscal year 1943, \$1,316.35; and

3           “Maintenance, Bureau of Ships, Navy”, fiscal year  
4       1946, \$91,292.69.       -

## 5                               CHAPTER IV

### 6                   GENERAL GOVERNMENT MATTERS

#### 7           AMERICAN BATTLE MONUMENTS COMMISSION

##### 8               DEDICATION OF WORLD WAR II MEMORIALS

9       For expenses necessary for appropriate dedications of  
10   World War II memorials, erected under the authority of  
11   the Act of June 26, 1946 (36 U. S. C. 123), to be avail-  
12   able for such purposes as the Commission may deem neces-  
13   sary and proper and without regard to the provisions of  
14   other laws or regulations relating to the expenditure of  
15   public funds (except that this exemption shall not be con-  
16   strued as waiving the requirement for the submission of  
17   accounts and vouchers to the General Accounting Office  
18   for audit), \$140,000, to remain available until June 30,  
19   1957: *Provided*, That, when in the discretion of any other  
20   government agency it would be in the public interest, per-  
21   sonnel, services, supplies, equipment, and facilities of such  
22   agency may be furnished without reimbursement to the  
23   Commission for the purposes of this appropriation.

## COMMISSION ON GOVERNMENT SECURITY

## SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$200,000, and said appropriation shall remain available until March 31, 1957.

## CORREGIDOR BATAAN MEMORIAL COMMISSION

## SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Act of August 5, 1953, as amended (67 Stat. 366 and 69 Stat. 589), \$56,000, to remain available through June 30, 1957.

## CHAPTER V

## INDEPENDENT OFFICES

## CIVIL SERVICE COMMISSION

## SALARIES AND EXPENSES

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$443,000" to "\$488,000", and the limitation under said head on the amount available for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767), is increased from "\$65,000" to "\$70,000".

1 INVESTIGATIONS OF UNITED STATES CITIZENS FOR EMPLOY-  
 2 MENT BY INTERNATIONAL ORGANIZATIONS

3 For an additional amount for "Investigations of United  
 4 States citizens for employment by international organiza-  
 5 tions", \$107,100.

6 ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES  
 7 AND LIGHTHOUSE SERVICE WIDOWS

8 For an additional amount for "Annuities, Panama Canal  
 9 construction employees and Lighthouse Service widows",  
 10 \$70,000.

11 ADMINISTRATIVE EXPENSES, EMPLOYEES' LIFE INSURANCE  
 12 FUND

13 The limitation under this head in the Independent  
 14 Offices Appropriation Act, 1956, on the amount made avail-  
 15 able from the "Employees' life insurance fund" for reim-  
 16 bursement to the Civil Service Commission for administrative  
 17 expenses incurred in the administration of the Federal  
 18 Employees' Group Life Insurance Act, is increased from  
 19 "\$80,000" to "\$100,000".

20 FEDERAL COMMUNICATIONS COMMISSION

21 SALARIES AND EXPENSES

22 The limitation under this head in the Independent  
 23 Offices Appropriation Act, 1956, on the amount available



1 for expenses of travel, is increased from “\$65,000” to  
2 “\$94,000”.

### 3 FEDERAL HOME LOAN BANK BOARD

4 The amount made available in title II of the Independ-  
5 ent Offices Appropriation Act, 1956, for administrative ex-  
6 penses of the Home Loan Bank Board is increased from  
7 “\$920,000” to “\$978,400”, and the amount made available  
8 to said Board for nonadministrative expenses, is increased  
9 from “\$2,995,000” to “\$3,338,800”.

### 10 FEDERAL TRADE COMMISSION

#### 11 SALARIES AND EXPENSES

12 The limitation under this head in the Independent Offices  
13 Appropriation Act, 1956, on the amount available for ex-  
14 penses of travel, is increased from “\$160,000” to “\$175,000”.

### 15 GENERAL ACCOUNTING OFFICE

16 The provisions of section 102 of the Independent Offices  
17 Appropriation Act, 1956, shall not apply to travel performed  
18 by employees of the General Accounting Office.

### 19 GENERAL SERVICES ADMINISTRATION

#### 20 OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

21 For an additional amount for “Operating expenses, Pub-  
22 lic Buildings Service”, \$4,685,000; and the limitation under  
23 this head in the Independent Offices Appropriation Act,

1 1956, on the amount available for expenses of travel, is in-  
 2 creased from "\$163,500" to "\$185,600".

### 3 REFUNDS UNDER RENEGOTIATION ACT

4 For an additional amount for "Refunds under Renego-  
 5 tiation Act", \$4,000,000, to remain available until expended.

### 6 INCREASED TRAVEL LIMITATIONS

7 Limitations imposed by the Independent Offices Appro-  
 8 priation Act, 1956, as amended by the Supplemental Ap-  
 9 propriation Act, 1956, on amounts available for travel ex-  
 10 penses under the following appropriations are increased as  
 11 follows:

12 "Emergency operating expenses" from "\$13,400"  
 13 to "\$15,300";

14 "Repair, improvement, and equipment" from  
 15 "\$155,000" to "\$178,250";

16 "Operating expenses, Federal Supply Service" from  
 17 "\$59,750" to "\$68,100"; and

18 "Operating expenses, National Archives and Rec-  
 19 ords Service" from "\$30,750" to "\$34,750".

### 20 HOUSING AND HOME FINANCE AGENCY

#### 21 OFFICE OF THE ADMINISTRATOR, SALARIES AND EXPENSES

22 For an additional amount for "Salaries and expenses",  
 23 \$398,500; and the limitation under this head in the Inde-  
 24 pendent Offices Appropriation Act, 1956, on the amount  
 25 available for expenses of travel, is increased from "\$263,-

700" to "\$304,860": *Provided*, That the limitation under this head on the amount available for certain nonadministrative expenses, is increased from "\$700,000" to "\$743,000".

#### OFFICE OF THE ADMINISTRATOR, HOUSING LOANS TO EDUCATIONAL INSTITUTIONS

The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from "\$500,000" to "\$706,300", and the limitation thereunder on the amount available for expenses of travel, is increased from "\$19,000" to "\$30,400".

#### OFFICE OF THE ADMINISTRATOR, REVOLVING FUND (LIQUIDATING PROGRAMS)

The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from "\$2,600,000" to "\$2,788,000", and the limitation thereunder on the amount available for expenses of travel, is increased from "\$183,200" to "\$213,200".

#### FEDERAL NATIONAL MORTGAGE ASSOCIATION

The limitation under this head in title II of the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$90,000" to "\$130,000".



## FEDERAL HOUSING ADMINISTRATION

The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from “\$5,900,000” to “\$6,692,500”, and the limitation thereunder on the amount available for expenses of travel, is increased from “\$300,000” to “\$367,500”: *Provided*, That the limitation under said head on the amount available for certain nonadministrative expenses of said Administration, is increased from “\$33,000,000” to “\$35,050,000”.

## HOUSING INVESTMENT INSURANCE FUND

The unexpended balance of funds appropriated to the Treasury Department under the head “Office of the Secretary, Housing Investment Insurance Fund”, in the Supplemental Appropriation Act, 1949, is rescinded and shall be covered into the Treasury upon approval of this Act.

## PUBLIC HOUSING ADMINISTRATION

## ADMINISTRATIVE EXPENSES

For an additional amount for “Administrative expenses”, \$1,436, 500.

The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from “\$8,200,000” to “\$9,636,500”, and shall be available for uniforms, or allowances therefor, as authorized by the Act of September 1,

1 1954, as amended (5 U. S. C. 2131) ; and the limitation  
2 thereunder on the amount available for expenses of travel,  
3 is increased from “\$530,000” to “\$682,000”.

4 INTERSTATE COMMERCE COMMISSION

5 GENERAL EXPENSES

6 The limitation under this head in the Independent Offices  
7 Appropriation Act, 1956, on the amount available for ex-  
8 penses of travel, is increased from “\$330,000” to “\$397,000”.

9 RAILROAD SAFETY

10 The limitation under this head in the Independent Offices  
11 Appropriation Act, 1956, on the amount available for ex-  
12 penses of travel, is increased from “\$163,050” to “\$176,000”.

13 LOCOMOTIVE INSPECTION

14 The limitation under this head in the Independent Offices  
15 Appropriation Act, 1956, on the amount available for ex-  
16 penses of travel, is increased from “\$112,620” to “\$124,000”.

17 NATIONAL SCIENCE FOUNDATION

18 INTERNATIONAL GEOPHYSICAL YEAR

19 For an additional amount for “International Geophysical  
20 Year”, \$26,000,000, to remain available until June 30,  
21 1960.

22 SECURITIES AND EXCHANGE COMMISSION

23 SALARIES AND EXPENSES

24 The limitation under this head in the Independent Offices

1 Appropriation Act, 1956, on the amount available for  
2 expenses of travel, is increased from “\$132,000” to  
3 “\$157,500”.

4 VETERANS ADMINISTRATION

5 INPATIENT CARE

6 The limitation under this head in the Independent Offices  
7 Appropriation Act, 1956, on the amount available for  
8 expenses of travel of employees, is increased from “\$246,-  
9 000” to “\$357,700”: *Provided*, That, notwithstanding the  
10 last proviso under this head in the Independent Offices  
11 Appropriation Act, 1956, inpatient care and treatment may  
12 be furnished to an average of 130,309 beneficiaries (exclud-  
13 ing members in State or Territorial homes) during the  
14 current fiscal year without any proportionate reduction in  
15 expenditures.

16 OUTPATIENT CARE

17 For an additional amount for “Outpatient care”,  
18 \$3,882,200; and the limitation under this head in the Inde-  
19 pendent Offices Appropriation Act, 1956, on the amount  
20 available for expenses of travel of employees, is increased  
21 from “\$170,000” to “\$208,000”.

22 COMPENSATION AND PENSIONS

23 For an additional amount for “Compensation and pen-  
24 sions”, \$10,000,000, to remain available until expended.



## 1                                READJUSTMENT BENEFITS

2            For an additional amount for "Readjustment benefits",  
3    \$185,000,000, to remain available until expended.

## 4                                INCREASED TRAVEL LIMITATIONS

5            Limitations imposed by the Independent Offices Approp-  
6    riation Act, 1956, on amounts available for travel expenses  
7    under the following appropriations are increased as follows:

8            "General operating expenses" from "\$2,731,000"  
9    to "\$2,891,550";

10           "Medical administration and miscellaneous operating  
11    expenses" from "\$751,800" to "\$824,950"; and

12           "Maintenance and operation of supply depots" from  
13    "\$2,500" to "\$2,880".

## 14                                CHAPTER VI

## 15                                DEPARTMENT OF THE INTERIOR

## 16                                OFFICE OF THE SECRETARY

## 17                                RESEARCH IN THE UTILIZATION OF SALINE WATER.

18           For an additional amount for "Research in the utilization  
19    of saline water", \$200,000.

## 20                                BUREAU OF LAND MANAGEMENT

## 21                                MANAGEMENT OF LANDS AND RESOURCES

22           For an additional amount for "Management of lands and  
23    resources", \$800,000.

## BUREAU OF INDIAN AFFAIRS

## EDUCATION AND WELFARE SERVICES

For an additional amount for "Education and welfare services", \$1,871,000.

## GEOLOGICAL SURVEY

## SURVEYS, INVESTIGATIONS, AND RESEARCH

For an additional amount for "Surveys, investigations, and research", \$1,650,000.

## NATIONAL PARK SERVICE

## CONSTRUCTION

For an additional amount for "Construction", \$3,000,000.

## FISH AND WILDLIFE SERVICE

## FEDERAL AID IN WILDLIFE RESTORATION

For "Federal aid in wildlife restoration", an amount equal to 20 per centum of the accumulated unappropriated receipts in the "Federal aid to wildlife restoration fund" on August 12, 1955, and a like amount for each of the four next succeeding fiscal years, to be derived from said fund pursuant to the provisions of the Act of August 12, 1955 (69 Stat. 698) : *Provided*, That the annual apportionments to the Territories of Alaska and Hawaii, and to Puerto Rico and the Virgin Islands authorized by section 8a of the Act of September 2, 1937 (16 U. S. C. 669g-1), as amended, may be increased by not to exceed 20 per centum.

## OFFICE OF TERRITORIES

## ADMINISTRATION OF TERRITORIES

For an additional amount for "Administration of Territories", \$60,000.

## DEPARTMENT OF AGRICULTURE

## FOREST SERVICE

## SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:

"National forest protection and management", \$2,178,500;

"Fighting forest fires", \$5,250,000;

"Control of forest pests", \$30,000; and

"Forest research", \$455,000.

## CHAPTER VII

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## OFFICE OF EDUCATION

## PAYMENTS TO SCHOOL DISTRICTS

For an additional amount for "Payments to school districts", \$25,000,000.

## ASSISTANCE FOR SCHOOL CONSTRUCTION

For an additional amount for "Assistance for school construction", including carrying out the provisions of the



1 Act of August 12, 1955 (Public Law 382), \$9,900,000,  
2 to remain available until expended.

3 PUBLIC HEALTH SERVICE

4 GRANTS TO STATES FOR POLIOMYELITIS VACCINATION

5 For an additional amount for "Grants to States for  
6 poliomyelitis vaccination", \$27,800,000, and such amount  
7 together with amounts previously appropriated under this  
8 head shall remain available until June 30, 1957.

9 CONSTRUCTION OF RESEARCH FACILITIES

10 For construction of a laboratory building for the bio-  
11 logics standards activities of the National Institutes of  
12 Health, and for expansion of and additional equipment for  
13 the boiler plant, including the preparation of plans, super-  
14 vision, and fixed equipment, to remain available until ex-  
15 pended, \$3,190,000, together with not to exceed \$310,000  
16 of the unobligated balance of funds previously appropriated  
17 under this head.

18 SOCIAL SECURITY ADMINISTRATION

19 GRANTS TO STATES FOR PUBLIC ASSISTANCE

20 For an additional amount for "Grants to States for  
21 public assistance", \$47,000,000.

22 NATIONAL LABOR RELATIONS BOARD

23 SALARIES AND EXPENSES

24 For an additional amount for "Salaries and expenses,"  
25 \$800,000.

# RAILROAD RETIREMENT BOARD

## SALARIES AND EXPENSES, RAILROAD RETIREMENT BOARD

### (TRUST FUND)

For an additional amount for "Salaries and expenses, Railroad Retirement Board (trust fund)," \$548,000, to be derived from the railroad retirement account.

## CHAPTER VIII

### PUBLIC WORKS

#### DEPARTMENT OF THE INTERIOR

##### OFFICE OF THE SECRETARY

##### OPERATION AND MAINTENANCE, SOUTHEASTERN

##### POWER ADMINISTRATION

For an additional amount for "Operation and maintenance, Southeastern Power Administration", \$235,000.

#### DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

##### RIVERS AND HARBORS AND FLOOD CONTROL

##### Operation and Maintenance, General

For an additional amount for "Operation and maintenance, general", to remain available until expended, \$15,375,000, of which \$15,000,000 shall be available for carrying out the provisions of the Act of June 28, 1955 (Public Law 99), and of which not more than \$25,000 shall be available for the dredging of the Kalamazoo River, where it flows into Lake Michigan.

## CHAPTER IX

## DEPARTMENT OF STATE

## PAYMENT TO FOREIGN SERVICE RETIREMENT AND

## DISABILITY FUND

For payment to the Foreign Service retirement and disability fund as authorized by the Foreign Service Act of 1946 (22 U. S. C. 1061-1116), \$1,236,000.

## EXTENSION AND REMODELING, STATE DEPARTMENT

## BUILDING

For an additional amount for "Extension and remodeling, State Department Building", to remain available until expended, \$800,000, to be transferred to the General Services Administration.

## CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", \$349,790.

## DEPARTMENT OF JUSTICE

## LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

## SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, general legal activities", \$500,000.

## SALARIES AND EXPENSES, ANTITRUST DIVISION

For an additional amount for "Salaries and expenses, Antitrust Division", \$364,000.



## 1 FEES AND EXPENSES OF WITNESSES

2 For an additional amount for "Fees and expenses of  
3 witnesses", \$100,000.

4 SALARIES AND EXPENSES, CLAIMS OF PERSONS OF  
5 JAPANESE ANCESTRY

6 For an additional amount for "Salaries and expenses,  
7 claims of persons of Japanese ancestry", \$600,000.

## 8 THE JUDICIARY

## 9 SUPREME COURT OF THE UNITED STATES

## 10 MISCELLANEOUS EXPENSES

11 For an additional amount for "Miscellaneous expenses",  
12 \$900.

13 COURTS OF APPEALS, DISTRICT COURTS, AND OTHER  
14 JUDICIAL SERVICES

## 15 TRAVEL AND MISCELLANEOUS EXPENSES

16 For an additional amount for "Travel and miscellaneous  
17 expenses", \$225,000, to be derived by transfer from the  
18 appropriation "Fees of jurors and commissioners", fiscal  
19 year 1956.

## 20 SALARIES OF REFEREES

21 For an additional amount for "Salaries of referees",  
22 \$6,375, to be derived from the referees' salary fund estab-  
23 lished in pursuance of the Act of June 28, 1946, as amended  
24 (11 U. S. C. 68).

1 EXPENSES OF REFEREES

2 For an additional amount for "Expenses of referees",  
3 \$111,500, to be derived from the referees' expense fund  
4 established in pursuance of the Act of June 28, 1946, as  
5 amended (11 U. S. C. 68 (c) (4) ).

6 CHAPTER X

7 TREASURY DEPARTMENT

8 BUREAU OF ACCOUNTS

9 SALARIES AND EXPENSES

10 For an additional amount for "Salaries and expenses",  
11 \$163,000.

12 COAST GUARD

13 RESERVE TRAINING

14 For an additional amount for "Reserve training",  
15 \$868,000, to be derived by transfer from the appropriation  
16 "Acquisition, construction, and improvements".

17 For an additional amount for "Reserve training", 1957,  
18 \$3,500,000.

19 THE TAX COURT OF THE UNITED STATES

20 SALARIES AND EXPENSES

21 For an additional amount for "Salaries and expenses",  
22 \$87,000.

## CHAPTER XI

## DISTRICT OF COLUMBIA

## OPERATING EXPENSES

## METROPOLITAN POLICE

For an additional amount for "Metropolitan Police", \$240,000 of which \$36,000 shall be payable from the highway fund of the District of Columbia, as defined in the District of Columbia Appropriation Act, 1956.

## DEPARTMENT OF PUBLIC HEALTH

For an additional amount for "Department of Public Health," \$130,000.

For an additional amount, fiscal year 1954, for "Freedmen's Hospital", \$137,489.

## PUBLIC WELFARE

For an additional amount for "Department of Public Welfare", \$250,000.

For an additional amount, fiscal year 1955, for "Department of Public Welfare", \$327,000.

## DEPARTMENT OF HIGHWAYS

For an additional amount for "Department of Highways", \$393,000.

## SETTLEMENT OF CLAIMS AND SUITS

For the payment of claims in excess of \$250, approved by the Commissioners in accordance with the provisions of



## FOLDING DOCUMENTS

For an additional amount for "Folding documents",  
\$15,000.

## CAPITOL POLICE

## GENERAL EXPENSES

For an additional amount for "General expenses",  
\$1,700.

## CHAPTER XIII

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND  
JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in House Document Numbered 355, Eighty-fourth Congress, \$1,614,562, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against

1 the United States by failure of the parties to appeal or other-  
2 wise: *Provided further*, That, unless otherwise specifically  
3 required by law or by the judgment, payment of interest  
4 wherever appropriated for herein shall not continue for more  
5 than thirty days after the date of approval of this Act.

## 6 CHAPTER XIV

### 7 INCREASED PAY COSTS

8 For additional amounts for appropriations for the fiscal  
9 year 1956, for increased pay costs authorized by the Act  
10 of March 2, 1955 (Public Law 9), the Act of June 10,  
11 1955 (Public Law 68), the Act of June 28, 1955 (Public  
12 Law 94), the Act of July 11, 1955 (Public Law 139),  
13 the Act of August 5, 1955 (Public Law 242), the Act of  
14 August 5, 1955 (Public Law 243), and the Act of August  
15 5, 1955 (Public Law 244), as follows:

### 16 LEGISLATIVE BRANCH

#### 17 House of Representatives:

18 "Salaries, officers and employees", \$681,345;

19 "Members' clerk hire", \$3,100,000;

#### 20 Contingent expenses of the House:

21 "Furniture", \$9,300;

22 "Special and select committees", \$150,000;

23 "Joint Committee on Internal Revenue Taxa-  
24 tion", \$20,000;

- 1           “Office of the Coordinator of Information”,
- 2           \$4,160;
- 3           “Attending physician’s office”, \$2,160;
- 4           “Folding documents”, \$40,000;
- 5           “Revision of laws”, \$2,800;
- 6           “Speaker’s automobile”, \$700;
- 7           “Automobile for the Majority Leader”, \$665;
- 8           “Automobile for the Minority Leader”, \$665;
- 9       Capitol police: “Capitol Police Board”, \$6,810;
- 10       “Office of the Legislative Counsel”, \$38,000 of which
- 11       \$12,000 shall be disbursed by the Secretary of the Senate
- 12       and \$26,000 shall be disbursed by the Clerk of the House
- 13       of Representatives;
- 14       “Education of Senate and House pages”, \$1,450;
- 15       Architect of the Capitol: Office of the Architect of the
- 16       Capitol: “Salaries”, \$6,000;
- 17       Botanic Garden: “Salaries and expenses”, \$2,000;
- 18       Library of Congress:
- 19           “Salaries and expenses”, \$283,064;
- 20       Copyright Office: “Salaries and expenses”, \$80,415;
- 21       Legislative reference service: “Salaries and ex-
- 22       penses”, \$70,055;
- 23       Distribution of catalog cards: “Salaries and ex-
- 24       penses”, \$52,359;



1 "Books for the blind", \$6,678;

2 Government Printing Office: Office of Superintendent of  
3 Documents: "Salaries and expenses", \$87,270;

4 THE JUDICIARY

5 Supreme Court of the United States: "Salaries", \$9,000;

6 Customs Court: "Salaries and expenses", \$12,500;

7 Courts of appeals, district courts, and other judicial  
8 services:

9 "Salaries of supporting personnel", \$825,000;

10 "Administrative Office of the United States Courts",  
11 \$36,500;

12 EXECUTIVE OFFICE OF THE PRESIDENT

13 "Executive Mansion and grounds", \$17,575;

14 Bureau of the Budget: "Salaries and expenses",  
15 \$210,000;

16 Council of Economic Advisers: "Salaries and expenses",  
17 \$4,000;

18 National Security Council: "Salaries and expenses",  
19 \$4,000;

20 Office of Defense Mobilization: "Salaries and expenses",  
21 \$50,000;

22 President's Commission on Veterans' Pensions: "Sal-  
23 aries and expenses", \$12,000;

## 1 FUNDS APPROPRIATED TO THE PRESIDENT

2 "Refugee relief" (decrease the amount of the limitation  
3 under this head in the Departments of State and Justice, the  
4 Judiciary, and Related Agencies Appropriation Act, 1956,  
5 on capital for making loans from "\$2,000,000" to "\$1,-  
6 685,655");

## 7 INDEPENDENT OFFICES

8 American Battle Monuments Commission: "Salaries and  
9 expenses", \$9,000;

10 Civil Service Commission: "Salaries and expenses",  
11 \$1,065,000;

12 Federal Civil Defense Administration:

13 "Operations", \$362,000, to be derived by transfer  
14 from the appropriation "Emergency supplies and equip-  
15 ment";

16 "Salaries and expenses, civil defense functions of  
17 Federal agencies", \$40,000, to be derived by transfer  
18 from the appropriation "Emergency supplies and equip-  
19 ment";

20 Federal Communications Commission: "Salaries and ex-  
21 penses", \$453,000;

22 Federal Mediation and Conciliation Service: "Salaries  
23 and expenses", \$160,000;

1 Federal Power Commission: "Salaries and expenses",  
2 \$250,000;

3 Federal Trade Commission: "Salaries and expenses",  
4 \$286,000;

5 General Accounting Office: "Salaries and expenses",  
6 \$1,500,000;

7 Indian Claims Commission: "Salaries and expenses",  
8 \$1,700;

9 Interstate Commerce Commission:  
10 "General expenses", \$670,000;

11 "Railroad safety", \$60,500;

12 "Locomotive inspection", \$44,500;

13 National Capital Housing Authority: "Maintenance and  
14 operation of properties", \$1,400;

15 National Capital Planning Commission: "Salaries and  
16 expenses", \$6,700;

17 Securities and Exchange Commission: "Salaries and  
18 expenses", \$323,000;

19 Selective Service System: "Salaries and expenses" (de-  
20 crease the amount of the limitation under this head in the  
21 Independent Offices Appropriation Act, 1956, on the amount  
22 available for registration, classification, and induction activi-  
23 ties of local boards from "\$20,963,700" to "\$20,636,300") ;



1 Small Business Administration: "Salaries and expenses",  
2 \$128,000;

3 Smithsonian Institution:

4 "Salaries and expenses", \$166,000;

5 "Salaries and expenses, National Gallery of Art",  
6 \$81,000;

7 Tariff Commission: "Salaries and expenses", \$83,000;

8 United States Information Agency: "Salaries and ex-  
9 penses", \$2,000,000;

10 Veterans Administration:

11 "General operating expenses", \$9,500,000;

12 "Medical administration and miscellaneous operating  
13 expenses", \$755,600;

14 "Inpatient care", \$30,790,600;

15 "Maintenance and operation of supply depots",  
16 \$50,000;

17 GENERAL SERVICES ADMINISTRATION

18 "Emergency operating expenses", \$265,000;

19 "Operating expenses, Federal Supply Service",  
20 \$190,000;

21 "Expenses, general supply fund", \$625,000;

22 "Operating expenses, National Archives and Records  
23 Service", \$325,000;

24 "Administrative operations", \$285,000;

1       “Abaca fiber program” (increase of \$2,000 in the limi-  
2       tation upon the amount which may be used for administra-  
3       tive expenses) ;

4                   DEPARTMENT OF AGRICULTURE

5       Agricultural Research Service:

6           “Research on strategic and critical agricultural  
7       materials”, \$14,000;

8           “Foot-and-mouth and other contagious diseases of  
9       animals and poultry”, \$45,000;

10       Extension Service: Federal Extension Service: “Ad-  
11       ministration and coordination”, \$60,000, to be derived by  
12       transfer from the appropriation “Payments to States, Hawaii,  
13       Alaska, and Puerto Rico”;

14       “Farmer Cooperative Service”, \$19,000;

15       Forest Service: “State and private forestry coopera-  
16       tion”, \$45,000;

17       Soil Conservation Service: “Conservation operations”,  
18       \$3,650,000;

19       Agricultural Marketing Service: “Marketing research  
20       and service”, \$1,300,000, of which \$925,000 shall be  
21       derived by transfer from the appropriation “Payments to  
22       States, Hawaii, Alaska, and Puerto Rico”, Extension  
23       Service;

24       “Foreign Agricultural Service”, \$80,000;

1       “Commodity Exchange Authority”, \$44,000;

2       Commodity Stabilization Service: “Agricultural adjust-  
3   ment programs”, \$150,000;

4       “Federal Crop Insurance Corporation”, \$214,200;

5       Rural Electrification Administration: “Salaries and ex-  
6   penses”, \$460,000;

7       “Office of the General Counsel”, \$116,000;

8       “Office of the Secretary”, \$138,000;

9       “Office of Information”, \$43,500;

10      “Library”, \$40,000;

11                               DEPARTMENT OF COMMERCE

12      Office of the Secretary: “Salaries and expenses”, \$140,-  
13   500;

14      Bureau of the Census: “Censuses of business, manu-  
15   factures, and mineral industries”, \$304,000;

16      Civil Aeronautics Administration:

17          “Operation and regulation”, \$5,890,000;

18          “Maintenance and operation, Washington National  
19   Airport”, \$38,000;

20          “Maintenance and operation of public airports, Ter-  
21   ritory of Alaska”, \$17,500;

22      Civil Aeronautics Board: “Salaries and expenses”,  
23   \$265,000;

24      Coast and Geodetic Survey: “Salaries and expenses”,  
25   \$340,000;



1 Business and Defense Services Administration: "Salaries  
2 and expenses", \$402,000;

3 Bureau of Foreign Commerce:

4 "Salaries and expenses", \$130,500;

5 "Export control", \$186,000;

6 Office of Business Economics: "Salaries and expenses",  
7 \$60,000;

8 Maritime activities: "Salaries and expenses", \$525,500;  
9 and increase the limitations thereunder as follows:

10 Administrative expenses, \$410,000;

11 Maintenance of shipyard facilities and operation of  
12 warehouses, \$37,200;

13 Reserve fleet expenses, \$78,300;

14 Patent Office: "Salaries and expenses", \$500,000;

15 National Bureau of Standards: "Expenses", \$413,500;

16 Weather Bureau: "Salaries and expenses", \$1,650,000;

17 DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

18 Office of the Secretary of Defense: "Salaries and ex-  
19 penses", \$769,000, to be derived by transfer from the appro-  
20 priation "Military personnel, Marine Corps";

21 "Office of Public Affairs", \$27,500, to be derived by  
22 transfer from the appropriation "Military personnel, Marine  
23 Corps";

24 Interservice activities: "Court of Military Appeals",

1 \$41,400, to be derived by transfer from the appropriation  
2 "Military personnel, Marine Corps";

3 Department of the Navy:

4 "Service-wide supply and finance", \$7,400,000, to  
5 be derived by transfer from the appropriation "Military  
6 personnel, Marine Corps";

7 "Service-wide operations", \$2,180,000, to be derived  
8 by transfer from the appropriation "Military personnel,  
9 Marine Corps";

10 DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

11 Department of the Army:

12 Rivers and harbors and flood control:

13 "General investigations", \$100,000;

14 "General expenses", \$550,000;

15 "United States Soldiers' Home", \$137,000, to be  
16 paid from the Soldiers' Home permanent fund;

17 Canal Zone Government: "Operating expenses",  
18 \$448,000;

19 "Panama Canal Company" (increase of \$49,000  
20 in the limitation upon the amount which may be used  
21 for administrative expenses) ;

22 DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

23 Food and Drug Administration: "Salaries and ex-  
24 penses", \$360,000;

1 Freedmen's Hospital: "Salaries and expenses", \$100,-  
2 000;

3 Gallaudet College: "Salaries and expenses", \$9,000;

4 Howard University: "Salaries and expenses", \$215,-  
5 000;

6 Office of Education:

7 "Salaries and expenses", \$190,000, to be derived  
8 by transfer from the appropriation "Promotion and  
9 further development of vocational education";

10 "Salaries and expenses, White House Conference on  
11 Education", \$8,000;

12 Office of Vocational Rehabilitation: "Salaries and ex-  
13 penses", \$58,000;

14 Public Health Service:

15 "Assistance to States, general", \$161,000;

16 "Venereal diseases", \$116,000;

17 "Tuberculosis", \$62,000;

18 "Communicable diseases", \$146,000;

19 "Sanitary engineering activities", \$120,000;

20 "Disease and sanitary investigations and control,  
21 Territory of Alaska", \$14,000;

22 "Salaries and expenses, hospital construction serv-  
23 ices", \$40,000;

24 "Hospitals and medical care", \$1,070,000;



1           “Foreign quarantine service”, \$150,000;

2           “Indian health activities”, \$1,150,000;

3           “National Institutes of Health, operating expenses”,  
4       \$30,000;

5           “National Cancer Institute”, \$150,000;

6           “National Heart Institute”, \$120,000, of which  
7       \$90,000 shall be derived by transfer from the appro-  
8       priation “Construction of housing facilities for animals”;

9           “Dental health activities”, \$40,000;

10          “Arthritis and metabolic disease activities”,  
11       \$100,000;

12          “Microbiology activities”, \$195,000;

13          “Salaries and expenses”, \$154,000;

14       Saint Elizabeths Hospital: “Salaries and expenses”,  
15       \$117,000;

16       Social Security Administration:

17          “Salaries and expenses, Bureau of Old-Age and  
18       Survivors Insurance”, \$5,229,000, to be derived from  
19       the Federal old-age and survivors insurance trust fund;

20          “Salaries and expenses, Bureau of Public Assist-  
21       ance”, \$95,000;

22          “Salaries and expenses, Children’s Bureau”,  
23       \$100,000, to be derived by transfer from the appro-  
24       priation “Promotion and further development of voca-  
25       tional education”;

“Salaries and expenses, Office of the Commissioner”, \$11,400, together with not to exceed \$8,600 to be transferred from the Federal old-age and survivors insurance trust fund;

Office of the Secretary:

“Salaries and expenses”, \$83,500, together with not to exceed \$11,500 to be transferred from the Federal old-age and survivors insurance trust fund;

“Salaries and expenses, Office of Field Administration”, \$108,400, together with not to exceed \$27,000 to be transferred from Federal old-age and survivors insurance trust fund;

“Salaries and expenses, Office of the General Counsel”, \$26,400, together with not to exceed \$1,500 to be transferred from the appropriation “Salaries and expenses, certification, inspection, and other services”, and not to exceed \$25,900, to be derived from the Federal old-age and survivors insurance trust fund;

“Surplus property utilization”, \$25,000;

#### DEPARTMENT OF THE INTERIOR

Office of the Secretary:

“Oil and Gas Division”, \$15,600;

“Office of the Solicitor”, \$165,000;

Commission of Fine Arts: “Salaries and expenses”, \$1,000;

1       Bonneville Power Administration: “Operation and  
2 maintenance”, \$162,500;

3       Bureau of Indian Affairs:

4           “Resources management”, \$450,000;

5           “General administrative expenses”, \$150,000;

6       Bureau of Reclamation:

7           “Operation and maintenance” (decrease the amount  
8 under this head in the Public Works Appropriation Act,  
9 1956, which is to be derived from the reclamation fund  
10 from “\$20,223,638” to “\$20,171,138”, and increase  
11 the amount under said head which is to be derived from  
12 the Colorado River dam fund from “\$1,697,000” to  
13 “\$1,749,500”) ;

14           “General administrative expenses”, \$150,000;

15       Bureau of Mines:

16           “Conservation and development of mineral re-  
17 sources”, \$650,000;

18           “Health and safety”, \$305,000;

19           “General administrative expenses”, \$60,000;

20       National Park Service:

21           “Management and protection”, \$618,000;

22           “Maintenance and rehabilitation of physical facili-  
23 ties”, \$144,000;

24           “General administrative expenses”, \$75,000;



1 Fish and Wildlife Service:

2 "Management of resources", \$280,000;

3 "Investigations of resources", \$185,000;

4 "General administrative expenses", \$50,000;

5 Administration, Department of the Interior: "Salaries  
6 and expenses", \$100,000;

7 DEPARTMENT OF JUSTICE

8 Legal activities and general administration:

9 "Salaries and expenses, general administration",  
10 \$173,000;

11 "Salaries and expenses, United States attorneys and  
12 marshals", \$559,000;

13 Federal Bureau of Investigation: "Salaries and ex-  
14 penses", \$5,826,000;

15 Immigration and Naturalization Service: "Salaries and  
16 expenses", \$1,995,000;

17 Federal Prison System:

18 "Salaries and expenses, Bureau of Prisons",  
19 \$1,335,000, of which \$275,000 shall be derived by  
20 transfer from the appropriation "Support of United  
21 States prisoners";

22 "Federal Prison Industries, Inc." (increase of  
23 \$15,000 in the limitation upon the amount which may be  
24 used for expenses of vocational training of prisoners) ;

## DEPARTMENT OF LABOR

Office of the Secretary: "Salaries and expenses", \$90,850, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Office of the Solicitor: "Salaries and expenses", \$79,500, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Bureau of Labor Standards: "Salaries and expenses", \$49,000, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Bureau of Veterans' Reemployment Rights: "Salaries and expenses", \$22,500, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Bureau of Apprenticeship: "Salaries and expenses", \$200,800, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Bureau of Employment Security:

"Salaries and expenses", \$329,100, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

"Salaries and expenses, Mexican farm labor program", \$107,000, to be derived by transfer from the appropriation "Unemployment compensation for veterans";

Bureau of Employees' Compensation: "Salaries and ex-

1 penses", \$143,000, to be derived by transfer from the  
 2 appropriation "Unemployment compensation for veterans";

3 Bureau of Labor Statistics: "Salaries and expenses",  
 4 \$342,000, to be derived by transfer from the appropriation  
 5 "Unemployment compensation for veterans";

6 Women's Bureau: "Salaries and expenses", \$23,000,  
 7 to be derived by transfer from the appropriation "Unem-  
 8 ployment compensation for veterans";

9 Wage and Hour Division: "Salaries and expenses",  
 10 \$481,000, to be derived by transfer from the appropriation  
 11 "Unemployment compensation for veterans";

## 12 POST OFFICE DEPARTMENT

13 (Out of postal fund)

14 "Administration", \$486,600;

15 "Operation", \$135,363,000;

16 "Transportation", \$11,100,000;

17 "Finance", \$335,400;

18 "Facilities", \$2,715,000;

## 19 DEPARTMENT OF STATE

20 "Salaries and expenses", \$3,080,000, of which \$263,000  
 21 shall be derived by transfer from the appropriation "Educa-  
 22 tional aid for China and Korea, State";

23 "Missions to international organizations", \$43,000, to  
 24 be derived by transfer from the appropriation "Educational  
 25 aid for China and Korea, State";



1 International Boundary and Water Commission, United  
2 States and Mexico:

3 "Salaries and expenses", \$22,000, to be derived by  
4 transfer from the appropriation "Educational aid for  
5 China and Korea, State";

6 "Operation and maintenance", \$39,000, to be de-  
7 rived by transfer from the appropriation "Educational  
8 aid for China and Korea, State";

9 "American sections, international commissions", \$13,-  
10 000, to be derived by transfer from the appropriation "Edu-  
11 cational aid for China and Korea, State";

12 "International educational exchange activities", \$170,-  
13 000, to be derived by transfer from the appropriation "Edu-  
14 cational aid for China and Korea, State";

# 15 TREASURY DEPARTMENT

16 Office of the Secretary:

17 "Salaries and expenses", \$170,000;

18 "Liquidation of Reconstruction Finance Corpora-  
19 tion" (increase of \$85,000 in the amount which may  
20 be used for administrative expenses);

21 Bureau of Accounts: "Salaries and expenses, Division  
22 of Disbursement", \$280,000;

23 Bureau of the Public Debt: "Administering the public  
24 debt", \$752,000;

1 Office of the Treasurer: "Salaries and expenses", \$175,-  
2 000;

3 Bureau of Customs: "Salaries and expenses", \$2,855,-  
4 000;

5 Internal Revenue Service: "Salaries and expenses",  
6 \$17,900,000;

7 Bureau of Narcotics: "Salaries and expenses", \$155,-  
8 000;

9 United States Secret Service:

10 "Salaries and expenses", \$179,000;

11 "Salaries and expenses, White House Police", \$57,-  
12 000;

13 "Salaries and expenses, guard force", \$17,000;

14 Coast Guard: "Operating expenses", \$389,000, to be  
15 derived by transfer from the appropriation "Retired pay";

16 DISTRICT OF COLUMBIA

17 (Out of District of Columbia funds)

18 Operating expenses:

19 "Executive Office", \$17,500;

20 "Department of General Administration", \$88,-  
21 400;

22 "Office of Corporation Counsel", \$24,400;

23 "Compensation and retirement fund expenses",  
24 \$440,000;

25 "Regulatory agencies", \$55,700;

1           “Department of Occupations and Professions”,  
2     \$13,600;

3           “Public schools”, \$3,172,000;

4           “Public Library”, \$98,500;

5           “Recreation Department”, \$79,000;

6           “Metropolitan Police”, \$840,300, of which amount  
7     \$118,100 shall be payable from the highway fund;

8           “Fire Department”, \$330,000;

9           “Office of Civil Defense”, \$3,400;

10          “Courts”, \$445,000;

11          “Department of Public Health”, \$1,263,800;

12          “Department of Corrections”, \$145,000;

13          “Department of Public Welfare”, \$297,800;

14          “Department of Buildings and Grounds”, \$77,300;

15          “Office of the Surveyor”, \$4,400;

16          “Department of Licenses and Inspections”, \$54,000;

17          “Department of Highways”, \$70,300, of which  
18     amount \$50,522 shall be payable from the highway  
19     fund;

20          “Department of Vehicles and Traffic”, \$53,500  
21     (payable from the highway fund) ;

22          “Department of Sanitary Engineering”, \$124,500,  
23     of which amount \$36,941 shall be payable from the  
24     water fund and \$37,487 shall be payable from the sani-  
25     itary sewage works fund;



1           “Washington Aqueduct”, \$43,500 (payable from  
2       the water fund) ;

3           “National Guard”, \$5,800 ;

4           “National Capital Parks”, \$95,000 ;

5           “National Zoological Park”, \$21,600.

6                               GENERAL PROVISION

7       SEC. 1402. Except where specifically increased or de-  
8       creased elsewhere in this Act, the restrictions contained with-  
9       in appropriations, or provisions affecting appropriations or  
10      other funds, available during the fiscal year 1956, limiting  
11      the amounts which may be expended for personal services,  
12      or for purposes involving personal services, or amounts which  
13      may be transferred between appropriations or authorizations  
14      available for or involving such services, are hereby increased  
15      to the extent necessary to meet increased pay costs author-  
16      ized by the Act of June 10, 1955 (Public Law 68), the Act  
17      of June 28, 1955 (Public Law 94), the Act of August 5,  
18      1955 (Public Law 242), the Act of August 5, 1955 (Pub-  
19      lic Law 243), and the Act of August 5, 1955 (Public Law  
20      244).

          Passed the House of Representatives March 21, 1956.

Attest:

RALPH R. ROBERTS,

*Clerk.*

84TH CONGRESS  
2d Session

# H. R. 10004

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## AN ACT

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Making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

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MARCH 21 (legislative day, MARCH 19), 1956

Read twice and referred to the Committee on Appropriations



State or local government retirement systems can be included in a State-Federal agreement, a majority of the eligible employees must vote in favor of having old-age and survivors' insurance coverage in a special referendum on the question. The law provides for the entry of State and local employees into the old-age and survivors insurance program not individually but in groups called coverage groups. The State decides which groups will be covered.

When I was in my district recently for a series of roving office hours, I had called to my attention a situation which I had not earlier realized existed in connection with social-security coverage for State and local government employees. Many individuals who are eligible for membership in a State retirement system will never be able to draw retirement benefits because of the fact that the wording of the State statute precludes qualifications for such. Although these individuals will not be able to complete a sufficient number of years of membership in the retirement system prior to mandatory retirement age, they are required to be members of the retirement fund. In other words, certain individuals are required to contribute to a compulsory savings plan.

In order to afford individuals in the above-mentioned category the opportunity to become eligible for Federal old-age and survivors insurance benefits at some future date, I have today introduced legislation to amend title II of the Social Security Act to permit a State or local government employee who is covered by a retirement system, but who cannot receive the benefits of such system, to elect social-security coverage as a self-employed individual if the Federal old-age and survivors insurance system has not been extended to his services by an agreement under section 218 of that act.

The bill which I have introduced provides that any individual who is an employee of a State or political subdivision thereof may file a certificate certifying that he elects to have the insurance system established by title II of the Social Security Act extended to such services performed by him. This election may be made only if the insurance system established by title II of the Social Security Act has not been extended to the services performed by him as such employee under an agreement under section 218 of such act, and the services performed by him as such employee are covered by a retirement system, as defined in section 218 (b) (4) of the Social Security Act, but he can under no circumstances complete the period of service required in order to qualify for the benefits of such retirement system.

The measure also contains provisos setting up a time limit for filing a certificate electing coverage and makes the election irrevocable. It also provides that such certificate shall not be effective on or after the first day of any succeeding taxable year in which the insurance system established by title II of the Social Security Act is extended to such services by means of an agreement under section 218 of such act, or it becomes possible for such individual, cur-

rently or at some future date, to receive benefits under such retirement system.

Mr. Speaker, I feel very strongly that our Federal old-age and survivors insurance system should be extended to State or local government employees who through no fault of their own will not be able to qualify for the benefits of a retirement system to which they are compelled to contribute. I do not believe that coverage as a self-employed individual should be denied these individuals simply because a majority of the employees in certain situations would not vote in favor of inclusion in a State-Federal agreement. I hope that the legislation which I have introduced will receive the early and favorable consideration of the Congress.

#### SYNTHETIC TOBACCO THREATENS FARM ECONOMY

(Mr. WILSON of Indiana asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WILSON of Indiana. Mr. Speaker, the Ninth Indiana Congressional District, which I have the honor to represent in this Chamber for 16 consecutive years, is largely an agricultural area and much of the economy there is dependent upon farming or related activities.

The soil of southeastern Indiana, wherein my district lies, is particularly good for the cultivation of fine burley tobacco. The 14 counties of that district have 6,707 farmers who raise burley on 6,834.5 acres—averaging less than 1 acre per farmer. Hundreds of these growers have tobacco allotments of less than one-half acre. Actually, there are only 225 in the whole district who have allotments of 2 acres or more and not a single one has an allotment as high as 20 acres.

Burley tobacco, then, is a very important cash crop to these farmers. Without the money derived from sale of their tobacco, many hundreds of them would be in a bad way. They have worked closely with the Agriculture Department's tobacco allocation and support program. Indeed, the tobacco program is perhaps the most successful that the United States Department of Agriculture now has in effect. The growers are due much credit for this.

Now, almost overnight, these farmers are faced by a situation which can, unless it is corrected, disrupt the tobacco-growing industry and drive many tobacco farmers into bankruptcy or out of business. This same situation also is of grave concern to the tobacco-consuming public, especially cigarette smokers.

I am concerned about the development and introduction of synthetic cigarettes—synthetic to the extent that they are not made of the highest quality tobaccos. Instead, they are made of chemically manufactured sheets of pulverized tobacco and tobacco stems.

Here is how this process works:

A hand of dried or cured tobacco is tossed into this pulverizing process—stem, scraps, and all. After it is ground into a substance which I understand is about the same texture as powdered coffee, the product then is blended with a congealing chemical and put through a special heating process which permits of

permanent absorption of considerable quantities of air. Next, this synthetic material emerges from the machine in thin slabs or sheets. The final step is in chopping or cutting these synthetic sheets into tiny shreds which are rolled into cigarettes and passed on to the public as fine tobacco.

The swing to these synthetic tobacco sheets has been unheralded by the cigarette makers who have gone into that field. And right here I would like to point out that not all of them have taken to the new formula. At least one of the larger manufacturers is still buying the highest quality tobaccos and using only that portion of the tobacco leaf which makes for the most wholesome smoke. But it is easy to see that he must eventually adopt the synthetic process if he is to stay in business, for the cigarette business is highly competitive.

Whether this congealing chemical and the overall process is going to be more harmful to the cigarette user is, of course, open to discussion. Certainly the smoker will be getting a product of apparently inferior quality. His cigarette will be made up of ground or pulverized tobacco stems and scraps as well as the leafy or heretofore desirable portion of the tobacco plant. Until this new process came along, cigarette and pipe tobacco manufacturers generally discarded the woody stems of the tobacco leaf.

It can well be seen what this will mean to the tobacco grower. He sells his product by the pound and a considerable portion of that poundage has been in the stems running through each tobacco leaf. Now that these stems are to go into cigarettes, and the synthetic product also is to contain much "sealed in" air which requires lesser quantities of the shredded material from which the cigarette is made, the market for his tobacco will be considerably curtailed.

The turn to these synthetic cigarettes is indicated by statistics I found at the Department of Agriculture a few days ago. Last year, in 1955, the cigarette output in this country was up 3 percent over the output of 1954. Yet the disappearance of cigarette tobacco stocks in the country was about 5 percent less. In other words, in making 3 percent more cigarettes we used 5 percent less tobacco.

Also significant is the fact that the so-called finest qualities of cigarette tobaccos are becoming more and more in surplus while the low grades of relatively lower cost to the cigarette manufacturers are becoming scarce. In past years the lower grades have been sold in export, a market which will not buy our finer and costlier grades. Now that cigarette makers are grabbing off the cheap tobacco, our export formula will obviously have to be revised.

I do not like this whole picture, Mr. Speaker—from the standpoint of the tobacco growers, of the millions of people who smoke cigarettes and who are not being informed of this swing to synthetics, and the manner in which the transition is taking place. It seems to me that if the new synthetic leaf is a better product, if it is better for the smoker, more pleasant, more palatable, less harmful—then the cigarette manu-



fatturer would be glad to tell the world about it all. Instead, there appears an air of hush, of mystery about the change-over.

I am going to strive to get this thing investigated. I hope the Food and Drug Administration closely examines these cigarettes to see if they contain harmful ingredients.

Incidentally, I understand the makers of this product are calling it homogenized tobacco. That is not my understanding of the meaning of that word, "homogenized." The dictionary says it means to make more nutritious or palatable a given product, such as milk, without adding any chemicals or foreign substance. Such is not the description of synthetic tobacco.

#### THE FARM BILL

(Mr. HARVEY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HARVEY. Mr. Speaker, I am today introducing a companion bill to the one introduced yesterday by the senior Senator from Indiana, Senator CAPEHART. Permit me to emphasize that this legislation is supplemental to, not a substitute for, the pending farm bill soon to go to House-Senate conference. The pending farm bill, H. R. 12, will bring our productive capacity into alinement with a shrinking market. This may be a temporary necessity; farmers, however, have never wanted to prosper on a scarcity program. My bill would establish a new agency called the Industrial Agricultural Products Administration. This agency would have authority to coordinate and implement all the research facilities of the Federal Government and bring every potential of these facilities to bear on the problem of greater industrial utilization of the products of our farms. It is my hope that it will receive speedy and favorable consideration.

#### SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

The SPEAKER pro tempore. The unfinished business is the question on the passage of the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

The bill was passed.

A motion to reconsider was laid on the table.

#### ROLLCALL

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Obviously a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered. The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 18]

Baumhart	Boykin	Eberharter
Boggs	Canfield	Gamble
Bolton,	Coudert	Grant
Frances P.	Diggs	Gray

Gwinn	Morgan
Harrison, Nebr.	Moulder
Hinshaw	Powell
Holt	Rivers
Hope	Shelley
Mollohan	Taylor

Thompson,
Mich.
Walter
Willis

The SPEAKER pro tempore. Four hundred and eight Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### PERMISSION TO SIT DURING SESSION OF HOUSE

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may be permitted to sit during general debate during sessions of the House this week.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

#### COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file its report on a recent investigation of gas and oil leases on fish and wildlife preserves.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

#### TESTIMONIAL DINNER HONORS DAIRY LEADER DANIEL T. CARLSON

(Mr. H. CARL ANDERSEN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. H. CARL ANDERSEN. Mr. Speaker, on Tuesday, March 27, the Willmar Citizens Committee of Willmar, Minn., will honor an outstanding dairy leader, Mr. Daniel T. Carlson, at a testimonial dinner.

One of my very good friends, in inviting me to attend the dinner, describes it as follows:

This dinner is planned that recognition may be given him for his many activities and contributions over a period of many years, in the line of duty and beyond, both in his home community and elsewhere.

All of agricultural America should join the people of Willmar in this testimonial. This is particularly true of dairy farmers and those in the dairy industry to whom Dan Carlson has rendered such magnificent service through the years.

He was one of the founders and first presidents of the American Dairy Association. Through the years he has helped lead that great dairy organization to its pinnacle of service to the dairy industry today. He has done probably as much as any other man in America to improve the quantity and quality of dairy products and to encourage their consumption by our people. Producers and consumers alike owe him a debt of recognition and gratitude.

He is now and has been for many years secretary of the Northwest Association of Ice Cream Manufacturers. He has contributed immeasurably to the manufacture and sale of this quality dairy product.

The people of Willmar and of Minnesota honor themselves when they give this recognition to the selfless service of Dan Carlson. We are proud to have him in our community. We are proud of all that he has done, and we know that his good work is not finished. We know that all of dairyland joins us in this salute to Daniel T. Carlson, outstanding citizen of Willmar, Minn., and dairy leader of America.

#### EXPLANATION OF VOTE

(Mr. CURTIS of Massachusetts asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. CURTIS of Massachusetts. Mr. Speaker, I was absent from the Chamber on account of illness on February 8, 1956, during rollcall No. 7, on House Resolution 396, to disapprove the proposed sale of the Institute, W. Va., copolymer plant.

Had I been present I would have voted "nay."

Mr. Speaker, I was also absent from the Chamber because of the grounding of my airplane flight from Boston to Washington on Tuesday, March 13, 1956, during rollcall No. 16, regarding suspension of the rules and passage of H. R. 9166, to provide a 1-year extension of the existing corporate normal tax rate, and certain other rates.

Had I been present, I would have voted "yea."

#### SCHOOL-MILK AND BRUCELLOSIS-ERADICATION PROGRAMS

Mr. COOLEY. Mr. Speaker, I call up the conference report on the bill (H. R. 8320) to amend the Agricultural Act of 1949 and the Agricultural Act of 1954 with respect to the special school-milk program and the brucellosis-eradication program for the fiscal year ending June 30, 1956.

The Clerk read the conference report. (For conference report and statement, see proceedings of the House of March 19, 1956.)

Mr. COOLEY. Mr. Speaker, I ask unanimous consent that the statement of the managers on the part of the House be read also.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

Mr. HALLECK. Mr. Speaker, reserving the right to object, I would like to submit a parliamentary inquiry at this point.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HALLECK. Mr. Speaker, if this conference report is voted down, would it then be in order immediately thereafter for any Member to offer a motion that the House recede and concur in the Senate amendments?

The SPEAKER pro tempore. If the conference report is voted down, the Senate amendments would then be re-







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued April 11, 1956  
For actions of April 10, 1956  
84th-2nd, No. 58

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HIGHLIGHTS: Rep. Burdick criticized Administration's position on farm bill. House debated military construction bill, including provision for disposal of agricultural surpluses. House received USDA proposed bill to strengthen authority over movement of diseased animals. Senate committee ordered reported second supplemental appropriation bill for 1956.

## HOUSE

1. FARM PROGRAM. Rep. Burdick criticized the Administration's opposition to the price support provisions of H. R. 12, the farm bill, and predicted that because of the Secretary's attitude, the measure will be vetoed. p. 5363
2. MILITARY CONSTRUCTION. Commenced debate on H. R. 9893, to authorize construction of certain facilities for the Armed Forces. This bill contains provisions to "extend and increase the authority to use surplus commodities for the construction of family housing overseas." p. 5365
3. RECLAMATION. Conferees were appointed on H. R. 6268, to facilitate the construction of drainage works and other minor items on Federal reclamation and like projects. p. 5365 Senate conferees have not been appointed.
4. ANIMAL DISEASES. Received from this Department draft legislation to strengthen the authority of the Department in regard to the importation of animals from foreign countries and the regulation of interstate movements, and to provide additional authority for emergency outbreaks of animal diseases; to the Agriculture Committee. p. 5383  
Received from this Department a letter relative to investigation of foot and mouth disease during Jan. by Mexican-U.S. Commission; to Agriculture Committee. p. 5383

5. PERSONNEL. Received from the Interior Department draft legislation to authorize the establishment of 10 positions for specially qualified scientific and professional personnel in the Department; to Post Office and Civil Service Committee. p. 5383

SENATE

6. APPROPRIATIONS. Appropriations Committee ordered reported with amendments H. R. 10004, the second supplemental appropriation bill for 1956. p. D319 (For items of interest to this Department see attached table).

7. FLOOD CONTROL; ELECTRIFICATION. Public Works subcommittee on Flood Control ordered reported to the full committee without amendment S. 3272, to increase and make certain revisions in the general authorization for small flood-control projects in the Flood Control Act of 1948; and with amendment S. 3338, relating to rates charged to public bodies and cooperatives for electric power generated at Federal projects. p. D320

ITEMS IN APPENDIX

8. EDUCATION. Extension of remarks of Rep. Thompson, N. J. favoring the establishment of a Joint Committee on United States International Exchange of Persons Programs and stating that the Commission on Education and International Affairs believes such a program can contribute to understanding, freedom, and world peace. p. A2853

9. FARM PROGRAM. Extension of remarks of Rep. Cooley stating that "tomorrow we will have a showdown and when the votes are taken the farmers of America will be able to count their friends one by one", and inserting letters from Herschel Newsom, National Grange, and Harry Caldwell, N. C. State Grange, favoring the conference report on the farm bill. p. A2887

Rep. Jensen inserted a copy of a letter he wrote to a constituent supporting the administration's farm program. p. A2857

Extension of remarks of Rep. Philbin stating that "the idea of taking cropland out of production in order to limit general agricultural output is not new, in fact, the original AAA program very closely resembled present proposals". p. A2862

Rep. Miller, N. Y., inserted a newspaper article, "Worse Than No Bill", opposing the proposed farm bill. p. A2864

Rep. Gross inserted a newspaper article commenting on the recent Wisconsin primary and stating that "returns from rural areas indicated that farm votes were cast in protest against the Eisenhower administration's price-support policies". p. A2887

Rep. Harvey inserted a newspaper article favoring Sen. Capehart's proposed bill that Government research in the industrial use of farm products be elevated to the status of the major phase of the farm program. p. A2864

10. FLOOD CONTROL. Rep. Brooks inserted his recent address before the Red River Valley Ass'n convention on "Flood Control and River Development--Its Progress and Its Objectives", p. A2883

Rep. Brooks also inserted Maj. Gen. Hardin's address on the same subject. p. A2886



11. ~~FHA; PERSONNEL. Rep. Multer inserted Drew Person's column discussing "conflict-of-interest" activities of certain personnel of this Department. p. A2885~~

~~BILLS INTRODUCED~~

- ~~12. PUBLIC LANDS. H. R. 10362, by Rep. Aspinall; H. R. 10366, by Del. Bartlett; H. R. 10367, by Rep. Budge; H. R. 10371, by Rep. Engle; H. R. 10372, by Rep. Fernandez; H. R. 10377, by Rep. Metcalf; H. R. 10380 by Rep. Pfost; H. R. 10384, by Rep. Rogers; H. R. 10394, by Rep. Saylor; H. R. 10396, by Rep. Udall, to provide that withdrawals or reservations of more than 5,000 acres of public lands of the United States for certain purposes shall not become effective until approved by act of Congress; to the Committee on Interior and Insular Affairs.~~
- ~~13. PERSONNEL. H. R. 10368, by Rep. Davis, to amend the Civil Service Act of January 16, 1883, so as to require that certain reports and other communications of the executive branch to Congress contain information pertaining to the number of civilian officers and employees required to carry out additional or expanded functions, and for other purposes; to the Committee on Post Office and Civil Service.~~
- ~~14. FORESTRY. H. R. 10373, by Rep. Kelley, granting the consent and approval of Congress to the Middle Atlantic interstate forest fire protection compact; to the Committee on Agriculture.~~
- ~~15. FARM CREDIT. H. R. 10392, by Rep. McIntire, to merge production-credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; to provide for supervision of production-credit associations; and for other purposes; to the Committee on Agriculture.~~
- ~~16. FOREIGN TRADE. H. Res. 459, by Rep. Bailey and H. Res. 460 by Rep. Hale, authorizing the Committee on Ways and Means to investigate and study the General Agreement on Tariffs and Trade; to the Committee on Rules. Remarks of authors, pp. 5361, 5362~~

~~-C-~~

~~COMMITTEE HEARING ANNOUNCEMENTS:~~

- ~~Apr. 11: Administration of Agriculture DPA programs,  
Jt. Committee on Defense Production (Horse to testify).~~
- ~~Apr. 19: Exemption of agricultural surpluses from cargo preference law,  
S. Commerce (Garnett to testify).~~
- ~~Apr. 25: Agricultural appropriations for 1957, H. Appropriations (excc)  
(Secretary Benson to testify).~~



UNITED STATES DEPARTMENT OF AGRICULTURE

Supplemental Estimates, 1956, Included in the Second  
Supplemental Appropriation Bill, 1956

(Amounts in brackets [ ] are not included in totals.)

Agency or Item	Budget Estimates	House Bill	Senate Committee Bill
<u>Agricultural Research Service:</u>			
Research:			
For pay act costs .....	\$2,217,530	\$1,217,530	\$2,217,530
Plant and animal disease and pest control:			
For contingency fund for emergency outbreaks of insects and plant diseases .....	500,000	500,000	b/ 725,000
For gypsy moth control .....	500,000	a/	500,000
For pay act costs .....	1,027,780	1,027,780	1,027,780
Meat inspection:			
For pay act costs .....	1,048,690	1,048,690	1,048,690
Total, Salaries and expenses, ARS.	5,294,000	3,794,000	5,519,000
<u>Forest Service:</u>			
National forest protection and management:			
For increased timber sales .....	500,000	200,000	200,000
For pay act costs .....	1,978,500	1,978,500	1,978,500
Fighting forest fires .....	5,250,000	5,250,000	5,250,000
Control of forest pests:			
For pay act costs .....	30,000	30,000	30,000
Forest research:			
For pay act costs .....	455,000	455,000	455,000
Total, Salaries and expenses, FS .	8,213,500	7,913,500	7,913,500
<u>Agricultural Conservation Program Service:</u>			
Language extending availability to December 31, 1956 of funds for cost-sharing assistance to farmers to restore farmlands damaged by hurricanes and floods, for emergency wind erosion control measures, and to reimburse the President's Disaster Relief Fund .....	Proposed	Approved	Approved
<u>Farmers' Home Administration:</u>			
Loan authorization:			
For farm housing loans .....	5,000,000	5,000,000	5,000,000
Salaries and expenses:			
To administer the proposed increase in farm housing loans .....	150,000	- -	150,000
For pay act costs .....	1,470,000	1,350,000	1,470,000
Total, Salaries and expenses, FHA	1,620,000	1,350,000	1,620,000

Agency or Item	Budget Estimates	House Bill	Senate Committee Bill
<u>Commodity Credit Corporation:</u>			
Corporate administrative expense limitation:			
To handle increased workload and for pay act costs .....	[4,964,000]	[4,500,000]	[4,964,000]
<u>Pay Act Costs pursuant to Public Law 94:</u>			
For appropriations not enumerated above .....	5,433,700	5,433,700	5,433,700
Total, Department of Agriculture:			
Direct appropriations .....	20,561,200	18,491,200	20,486,200
Loan authorization (FHA) ...	5,000,000	5,000,000	5,000,000

a/ Submitted to the Senate on April 10, 1956.

b/ Increase by Senate Committee of \$225,000 above Budget Estimate to enable Department to provide for the total costs of the Khapra beetle eradication program.









# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued April 12, 1956  
For actions of April 11, 1956  
84th-2nd, No. 59

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Food inspection.....19	Poultry.....6,19	Wildlife.....15
Foreign aid.....16		

HIGHLIGHTS: Both Houses adopted conference report on farm bill. Ready for President. House continued debate on military construction bill. House committee ordered reported bill extending export control authority. Senate committee reported second supplemental appropriation bill for 1956. Senate received supplemental appropriation request for gypsy moth control. Senate received USDA proposed bill to strengthen authority over movement of diseased animals. Sen. Aiken introduced bill to provide compulsory inspection by USDA of poultry. Sen. Humphrey introduced and discussed bill to provide multiple use of national forests.

## HOUSE

1. FARM PROGRAM. Adopted the conference report on H. R. 12, the farm bill, by a vote of 237 to 181 (pp. 5475, 5508). Previously the House rejected, by a vote of 238 to 181, a motion by Rep. Martin to recommit the conference report with instructions that the House conferees insist on provisions to provide flexible supports at 82½% to 90% of parity, provide dairy supports at 80% to 90% of parity, and eliminate the dual parity provision, the two-price plans for wheat and rice, and the provision for mandatory support of feed grains. p. 5507
2. MILITARY CONSTRUCTION; SURPLUS COMMODITIES. Continued consideration of H. R. 9893, to authorize construction of certain facilities for the Armed Forces, including provision for disposal of agricultural surpluses. p. 5509
3. FOREIGN TRADE. The Banking and Currency Committee ordered reported with amendment H. R. 9052, to amend the Export Control Act of 1949 to continue for an additional two years the authority for the regulation of exports. p. D327



SENATE

4. FARM PROGRAM. Agreed to the conference report on H. R. 12, the farm bill, by a vote of 50 to 35. This bill is now ready for the President. pp. 5440-48, 5450-73

Sen. Beall inserted a letter from the Maryland Farm Bureau opposing the conference report on the farm bill. p. 5438

Sen. Humphrey inserted a Co-op Service, Inc., resolution favoring 100% of parity for farmers, aid for the family-size farm, and the use of atomic energy for PEA powerplants. p. 5390

5. APPLICATIONS. Received from the President a 1956 supplemental appropriation estimate of 500,000 for "Salaries and expenses, Agricultural Research Service" to provide additional funds for gypsy moth control; to Appropriations Committee (S. Doc. 112). p. 5388

6. ANIMAL DISEASES. Received from this Department proposed legislation to provide further protection against the dissemination of diseases of live-stock and poultry; to Agriculture and Forestry Committee. p. 5388

7. SUPPLEMENTAL APPROPRIATIONS. The Appropriations Committee reported with amendments H. R. 10004, the second supplemental appropriation bill for 1956 (S. Rept. 1725). p. 5391 (For USDA items see Digest 58.)

8. FEED CROPS. Received a resolution of the N. Y. Legislature urging the removal of Federal restrictions on the raising of crops for the feeding of livestock. p. 5388

9. NATURAL RESOURCES. Sen. Neuberger criticized the natural resource policies of the Administration, and inserted a report of the Joint Committee on the Economic Report on the subject. p. 5407

10. FORESTRY. Sen. Morse criticized regulations of the Fed. Housing Admin. Specifying the thickness of lumber to be used in house construction, and inserted a statement he had prepared on the matter. p. 5431

11. INTERGOVERNMENTAL RELATIONS. The Government Operations Committee submitted an index to the report, various Study Committee, Staff, and Survey Reports, and Supporting Documents of the Commission on Intergovernmental Relations (S. Doc. 111). p. 5430

ITEMS IN APPENDIX

12. FARM PROGRAM. Extension of remarks of Rep. Knutson stating that the Minn. primary vote "is concrete evidence of farm wishes for adequate income" and inserting a newspaper article "which reflects some of the reasons for the crushing defeat of the Republican farm program...". p. A2901

Extension of remarks of Rep. Cretella stating that "I believe I have no choice other than to vote for the recommitment" of the farm bill and inserting 2 newspaper articles on this subject. p. A2913

Rep. Dixon inserted a telegram from the Continental Baking Co. urging him to reject the conference report on the farm bill. p. A2920

Rep. Seely-Brown inserted a newspaper editorial, "All Eyes On The House" describing the nation wide interest in the farm bill. p. A2921

13. TEXTILES. Rep. Rogers inserted three New England Governors' Textile Committee

## SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

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APRIL 11 (legislative day, APRIL 9), 1956.—Ordered to be printed

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Mr. HAYDEN, from the Committee on Appropriations, submitted the following

## R E P O R T

[To accompany H. R. 10004]

The Committee on Appropriations, to whom was referred the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House.....	\$795, 768, 823
Amount of increase by Senate committee.....	63, 095, 353
Amount of bill as reported to Senate.....	858, 864, 176
Total estimates considered by the Senate including \$38,346,779 in Senate documents not considered by House.....	878, 136, 527
Under budget estimates.....	19, 272, 351

Chapter	Department or activity	Budget estimates	Recommended in House bill	Amount recom- mended by Sen- ate committee	Increase (+) or decrease (-) Senate bill compared with—	
					Budget estimates	House bill
I	Agriculture-----	\$6,914,000	\$5,144,000	\$7,139,000	+\$225,000	+\$1,995,000
II	Commerce-----	154,428,000	133,428,000	153,428,000	-1,000,000	+20,000,000
III	Defense-----	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	-----	-----
IV	General Government matters-----	401,000	396,000	340,000	-61,000	-56,000
V	Independent Offices-----	248,284,700	235,579,300	237,579,300	-10,705,400	+2,000,000
VI	Interior-----	19,990,200	15,494,500	16,029,500	-3,960,700	+535,000
VII	Labor and Health, Education, and Welfare-----	129,371,500	113,690,000	117,020,000	-12,351,500	+3,330,000
VIII	Public Works-----	19,085,000	15,610,000	19,110,000	+25,000	+3,500,000
IX	State, Justice, and the Judiciary-----	4,312,690	3,950,690	4,000,690	-312,000	+50,000
X	Treasury and Post Office-----	19,750,000	3,750,000	19,750,000	-----	+16,000,000
XI	District of Columbia <sup>2</sup> -----	2,000,000	-----	-----	-2,000,000	-----
XII	Legislative-----	417,800	340,300	979,149	+561,349	+638,849
XIII	Claims and judgments-----	2,367,341	1,614,562	2,367,341	-----	+752,779
XIV	Increased pay-----	270,814,296	266,771,471	281,121,196	+10,306,900	+14,349,725
	Total-----	878,136,527	795,768,823	858,864,176	-19,272,351	+63,095,353

<sup>1</sup> Language only.<sup>2</sup> Federal funds only. Detail of District of Columbia funds on p. 37



# CHAPTER I

## DEPARTMENT OF AGRICULTURE

### AGRICULURAL RESEARCH SERVICE

#### SALARIES AND EXPENSES

##### RESEARCH

1955 appropriation.....	\$35, 822, 000
1956 appropriation (regular act).....	37, 950, 000
Supplemental estimate (H. Doc. 330).....	2, 217, 530
House allowance.....	1, 217, 530
Restoration requested.....	1, 000, 000
Committee recommendation.....	2, 217, 530

The committee recommends \$2,217,530, the budget estimate, all of which is for additional pay costs authorized by Congress in the Federal Employees Pay Act of 1955. Unless the full amount requested is allowed there would be serious disruption and delay in research work conducted during spring and summer months.

##### PLANT AND ANIMAL DISEASE AND PEST CONTROL

1955 appropriation.....	\$18, 339, 579
1956 appropriation (regular act).....	18, 658, 700
Supplemental estimate (H. Doc. 330).....	1, 527, 780
House allowance.....	1, 527, 780
Supplemental estimate.....	500, 000
Committee recommendation.....	2, 252, 780

The committee recommends \$2,252,780 for this item, and recommends \$725,000 for the contingency fund limitation. The increase in the contingency fund of \$225,000 over the House allowance and the budget estimate is to authorize a stepped-up Federal eradication program on the Khapra beetle. This beetle is a very destructive insect, which, until it is completely eradicated, seriously threatens all warehouse- and farm-stored grain.

The additional funds recommended will permit the Department to pay the full cost of fumigation on affected premises during the balance of this fiscal year, and to accelerate the survey and eradication program.

The committee requests the Department to furnish it with information on additional fund requirements to completely eradicate the Khapra beetle during fiscal year 1957, including infested feed lots and distribution sites.

The committee also recommends \$500,000 for gypsy moth control, based on an estimate submitted directly to the Senate.

## FARMERS' HOME ADMINISTRATION

## SALARIES AND EXPENSES

1955 appropriation.....	\$23, 550, 000
1956 appropriation (regular act).....	24, 850, 000
<hr/>	
Supplemental estimate (H. Doc. 330):	
Pay increase costs.....	1, 470, 000
Funds to service farm housing loans.....	150, 000
<hr/>	
Total supplemental request.....	1, 620, 000
House allowance.....	1, 350, 000
Restoration requested.....	270, 000
Committee recommendation.....	1, 620, 000

The committee recommends \$1,620,000 the budget estimate, an increase over the House allowance of \$270,000. The increase contains \$120,000 to meet cost of pay increases, and \$150,000 for making and servicing new farm housing loans.

## COMMODITY CREDIT CORPORATION

1955 administrative expense limitation.....	\$25, 290, 000
1956 limitation (regular act).....	26, 000, 000
<hr/>	
Supplemental estimate (H. Doc. 330) includes:	
Pay increase costs.....	1, 716, 877
Increased program activity.....	3, 247, 123
<hr/>	
Total supplemental request.....	4, 964, 000
House allowance.....	4, 500, 000
Restoration requested.....	464, 000
Committee recommendation.....	4, 964, 000

The committee recommends \$4,964,000, the budget estimate, an increase of \$464,000 over the House allowance. The amount recommended includes \$1,716,877 for additional costs due to pay increases, and \$3,247,123 for increased program activity.

## CHAPTER II

### DEPARTMENT OF COMMERCE AND RELATED AGENCIES

#### BUREAU OF THE CENSUS

##### SALARIES AND EXPENSES

1955 appropriation (adjusted)-----	\$6, 276, 437
1956 appropriation (regular act)-----	6, 900, 000
Supplemental request (H. Doc. No. 330)-----	<sup>1</sup> 428, 000
House allowance-----	<sup>2</sup> 428, 000
Committee recommendation-----	<sup>1</sup> 428, 000

<sup>1</sup> And \$100,000 to be derived by transfer from "Census of Agriculture."

<sup>2</sup> And \$75,000 to be derived by transfer from "Census of Agriculture."

The committee recommends the appropriation of \$428,000, the amount of the estimate and the House bill, for payment of salary increases granted classified workers by Public Law 94, approved June 28, 1955. It is also recommended that the amount of \$100,000, to be derived by transfer from the "Census of Agriculture," be made available to bring the foreign trade and shipping statistics to a current basis by July 1. The amount authorized for transfer is an increase of \$25,000 over the amount authorized by the House bill.

#### MARITIME ACTIVITIES

##### SHIP CONSTRUCTION

The committee has deleted from the House bill the language provision raising from "five" to "twenty" the limitation in the number of replacement cargo ships on which the Government may pay construction subsidies and national defense allowances.

##### WAR SHIPPING ADMINISTRATION LIQUIDATION

There is recommended for inclusion in the bill language increasing the expenditure limitation from "\$5,900,000" to "\$24,000,000". This revision is necessitated by a recent ruling of the General Accounting Office that this appropriation is available for payment of judgments against the War Shipping Administration rendered by the Court of Claims. The committee directs the Department of Commerce to report to the committee at least annually information as to amounts paid in satisfaction of these types of claims.



## SMALL BUSINESS ADMINISTRATION

## REVOLVING FUND

1955 appropriation-----	\$25,000,000
1956 appropriation (Supplemental Appropriation Act)-----	25,000,000
Supplemental request-----	20,000,000
House allowance (not considered by the House)-----	-----
Committee recommendation-----	20,000,000

The committee recommends the appropriation of \$20 million, the amount of the budget estimate. A sharp increase in business loans became apparent in February. With this upward trend, it became apparent that the revolving fund would be fully committed before the end of April.

The committee was informed that the amount requested will permit the making of business loans through the end of this fiscal year and provide sufficient flexibility for possible disaster loans prior to June 30.

## CHAPTER IV

### GENERAL GOVERNMENT MATTERS

#### CORREGIDOR-BATAAN MEMORIAL COMMISSION

##### SALARIES AND EXPENSES

The committee recommends that the appropriation of \$56,000 for this Commission be stricken from the bill.

## CHAPTER V

### INDEPENDENT OFFICES

#### CIVIL SERVICE COMMISSION

##### EMPLOYEES' LIFE INSURANCE FUND

###### ADMINISTRATIVE EXPENSES

The committee recommends an increase of \$35,000 over the House allowance in the limitation for administrative expenses, to provide a total of \$135,000 for 1956 to reimburse the Commission from the insurance fund for the expenses of administering the Federal Employees' Group Life Insurance Act of 1954, as amended last August. The amount provided is a reduction of \$57,350 below the budget estimate of \$192,350.

#### FEDERAL HOME LOAN BANK BOARD

##### NONADMINISTRATIVE EXPENSE LIMITATION

The committee recommends an increase of \$100,000 over the budget estimate, to provide a total amount of \$3,438,800 in 1956 for the non-administrative expense limitation of the Board, used to finance examinations of Federal and State chartered institutions. The regular bill for 1957 provides a limitation of \$4,289,000, which is \$439,000 over the budget estimate, such increase being allowed by the House in order to enable the Board to do a more thorough job in the examination of member institutions once a year. The increase here recommended would allow the Board the additional travel expenses needed in order to get started sooner toward the accomplishment of the objective of 12-month examinations.

#### GENERAL SERVICES ADMINISTRATION

##### ACQUISITION OF LAND AND BUILDING, CHICAGO, ILL.

The committee recommends that \$3 million be provided by transfer from funds available for the lease-purchase program in order to acquire the Rand-McNally Building in Chicago, Ill. The House committee denied the supplemental request until the new administrator could appraise the proposal. The Administrator now advises the committee that he finds from investigation that the property is reasonably worth what the Government would have in it, including \$2,300,000 previously expended for improvements to place the building in good condition, with an estimated future life of 25 years as a Federal building, and a replacement cost estimated at twice the Government's investment.



## EXPENSES, GENERAL SUPPLY FUND

The committee recommends that \$450,000 be provided by transfer from funds available for the lease-purchase program in order to finance expanded sales from the general supply fund, occasioned by heavy military procurement of common-use items, as requested in a supplemental estimate submitted to the Senate in Senate Document No. 107.

## NATIONAL SCIENCE FOUNDATION

## INTERNATIONAL GEOPHYSICAL YEAR

1955 appropriation (supplemental)-----	\$2, 000, 000
1956 appropriation (regular act)-----	10, 000, 000
Supplemental request (H. Doc. No. 330)-----	28, 000, 000
House allowance-----	26, 000, 000
Committee recommendation-----	28, 000, 000

A restoration of \$2,000,000 is recommended by the committee, to provide the full budget estimate of \$28,000,000 requested in order to finance the participation by the United States, through outstanding American scientists, in the International Geophysical Year in the total amount of \$40,000,000. The geophysical research program, ranging from July 1, 1957, through December 31, 1958, has a total of 55 nations participating, at an overall cost of between \$250,000,000 and \$300,000,000. The committee is informed that the full amount of the estimate is required in order to adhere to the schedules of equipment, facilities, and supplies to be shipped to Antarctic and other stations and areas in the United States program if their efforts are to meet with success.

# CHAPTER VI

## DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

### OFFICE OF THE SECRETARY

#### OIL AND GAS DIVISION

1955 appropriation.....	\$390, 000
1956 appropriation (regular act).....	390, 000
Supplemental estimate (S. Doc. 105).....	35, 000
House allowance. (Not considered.).....	
Committee recommendation.....	35, 000

The committee recommends the allowance of the supplemental estimate of \$35,000 submitted in Senate Document No. 105 for the Oil and Gas Division. These funds are required to finance the personnel and expenses to carry out responsibilities of the Oil and Gas Division that heretofore have been performed by an industry committee.

A recent determination of the Attorney General requires that the Oil and Gas Division use regular salaried personnel for the securing of data and information on foreign petroleum operations.

### BUREAU OF LAND MANAGEMENT

#### MANAGEMENT OF LANDS AND RESOURCES

1955 appropriation.....	\$12, 263, 000
1956 appropriation (regular act).....	13, 700, 000
Supplemental estimate (H. Doc. 330).....	1, 681, 700
House allowance.....	800, 000
Committee recommendation.....	1, 200, 000

House Document No. 330 included a supplemental estimate of \$1,681,700 for the management of lands and resources under the jurisdiction of the Bureau of Land Management. The House allowed \$800,000—a reduction of \$881,700.

The committee recommends the allowance of \$1,200,000. The following tabulation sets out the activities to which funds have been allocated within the appropriation.

Activity	Appropriation, 1956	Supplemental estimate, 1956	House allowance, 1956	Committee recommendation
1. Lease and disposal of land and mineral resources.....	\$3, 170, 000	\$400, 000	\$38, 300	238, 300
2. Management of grazing lands.....	1, 703, 000			
3. Forestry.....	2, 613, 000	420, 000		200, 000
4. Cadastral survey.....	1, 473, 000	50, 000		
5. Soil and moisture conservation.....	2, 718, 000			
6. Squaw Butte Experiment Station.....	38, 000			
7. Fire suppression.....	210, 000	180, 000	180, 000	180, 000
8. Maintenance of physical facilities.....	50, 000			
9. Maintenance of access roads.....	35, 000			
10. Weed control.....	700, 000			
11. General administration.....	990, 000	50, 000		
12. Increased pay costs.....		581, 700	581, 700	581, 700
Total.....	13, 700, 000	1, 681, 700	800, 000	1, 200, 000

## CONSTRUCTION

1955 appropriation.....	\$2, 500, 000
1956 appropriation (regular act).....	2, 300, 000
Supplemental request (H. Doc. 330).....	2, 000, 000
House allowance.....	None
Committee recommendation.....	2, 000, 000

The committee recommends the allowance of \$2,000,000 for the construction of timber access roads on the Oregon and California revested grant lands. This estimate was submitted in House Document 330, and was disallowed in its entirety by the House.

All of the funds appropriated for this purpose are reimbursed to the Treasury from receipts from the sale of timber that would otherwise be paid to the counties in which the lands are situated. The committee has been advised that the affected counties are in favor of this appropriation.

It is the view of the committee that the development of an adequate access-road system on these lands is essential for a sound management program, and that such a system is definitely in the interest of both the Government and the counties.

## BUREAU OF INDIAN AFFAIRS

## EDUCATION AND WELFARE SERVICES

1955 appropriation.....	\$37, 060, 668
1956 appropriation (regular act).....	41, 764, 995
Supplemental estimates:	
H. Doc. 330.....	1, 871, 000
S. Doc. 105.....	129, 000
House allowance.....	1, 871, 000
Committee recommendation.....	1, 871, 000

<sup>1</sup> This estimate was not considered by the House.

The committee recommends that the Senate concur in the action of the House in allowing the full amount of \$1,871,000 for the supplemental estimate submitted in House Document 330. Of this amount, \$1,350,000 is necessary to meet the increased pay costs, and \$521,000 is needed to meet the obligations of the Federal Government to the States for the education of Indian children in the public schools.

The committee considered an estimate of \$129,000 submitted in Senate Document 105. These funds were requested in order that the Bureau of Indian Affairs could buy buses to replace buses they had on loan from the Department of Defense. The committee has been advised by the Department of Defense that there is no immediate need within the Department for these buses. Therefore, the committee recommends that the estimate of \$129,000 be disallowed, and the following provision be included in the bill to permanently transfer the buses in question to the Department of the Interior:

*: Provided, That the Secretary of the Army is authorized and directed to transfer to the Secretary of the Interior, without exchange of funds, forty-six school buses presently on loan to the Bureau of Indian Affairs.*

## CONSTRUCTION

1955 appropriation.....	\$12, 916, 433
1956 appropriation (regular act).....	7, 979, 003
Supplemental estimate (S. Doc. 105).....	240, 000
House allowance.....	Not considered
Committee recommendation.....	240, 000



The committee recommends the allowance of the supplemental estimate of \$240,000 submitted in Senate Document No. 105. These funds are necessary to meet the expenses of repair and rehabilitation of facilities under the jurisdiction of the Bureau of Indian Affairs that were damaged during the recent floods on the Pacific coast. The language recommended by the Bureau of the Budget includes a provision to make the cost of repairs to irrigation facilities a non-reimbursable charge to the water users.

Late in 1955 the facilities of the San Carlos Indian irrigation project suffered severe damage as the result of floods. The Bureau of Indian Affairs used available funds amounting to approximately \$54,000 to rehabilitate the project. Under existing law this had to be considered as a reimbursable cost.

In order that the San Carlos project be handled in the same manner as the projects for which funds are included in the estimate, the committee recommends the inclusion of the following provision in the bill:

*: Provided further, That not to exceed \$54,000 used for emergency reconstruction, replacement or repair of the San Carlos irrigation facilities damaged or destroyed by flood and storm in 1955 shall be nonreimbursable.*

### NATIONAL PARK SERVICE

#### CONSTRUCTION

1955 appropriation.....	\$13, 618, 200
1956 appropriation (regular act).....	8, 950, 000
Supplemental estimates:	
H. Doc. No. 352.....	3, 000, 000
S. Doc. No. 105.....	<sup>1</sup> 360, 000
House allowance.....	3, 000, 000
Committee recommendation.....	360, 000

<sup>1</sup> This estimate was not considered by the House.

The committee recommends the allowance of the supplemental estimate of \$360,000 for the repair of facilities damaged during the recent floods on the Pacific coast.

The committee recommends that the \$3,000,000 submitted in House Document No. 352 for the initiation of construction of the Jefferson National Expansion Memorial be disallowed. It is the view of the committee that a project of this magnitude should not be considered in a supplemental bill.

## JONES POINT BRIDGE

1955 appropriation.....	\$600, 000
1956 appropriation.....	None
Supplemental estimate (H. Doc. No. 330).....	500, 000
House allowance.....	None
Committee recommendation.....	500, 000

The committee recommends the allowance of the supplemental estimate of \$500,000 for the Jones Point Bridge. The House disallowed this estimate in its entirety.

The committee realizes that there is legislation pending that affects the construction of this bridge. It will be noted that the House committee refers to this legislation in its report, in explaining the action of the committee in disallowing the estimate. However, it is the view of the committee that construction of the bridge should proceed, and it is the hope of the committee that the pending legislation will be disposed of in the immediate future.

CHAPTER VII  
DEPARTMENT OF LABOR  
BUREAU OF EMPLOYMENT SECURITY  
MEXICAN FARM LABOR PROGRAM

1955 appropriation-----	\$1, 756, 000
1956 appropriation-----	1, 892, 000
House allowance-----	Not considered
Committee recommendation-----	65, 000

The committee recommends an additional allowance, \$65,000, to be derived by transfer, to enable the Department to recruit and import the needed Mexican farm laborers under the agreement, and to render the necessary services with respect thereto.

The joint concerted efforts of the Governments of Mexico and the United States have in the past year greatly reduced the entry of the so-called wetbacks who have heretofore engaged in agricultural labor in the States. It has been necessary to import an increased number of laborers under the agreement as a result, from 350,000 as originally planned to 414,000 under present plans, and some 13,000 additional employers are using the service.

The additional funds here recommended will permit the Bureau to also resume some overtime work to give employers service on Saturdays, Sundays, and holidays.

BUREAU OF LABOR STATISTICS  
SPECIAL WAGE SURVEY

Supplemental estimate-----	\$200, 000
House allowance-----	None
Committee recommendation-----	None

The Department sought \$200,000, to be derived by transfer from unobligated balances of the appropriation for "Unemployment compensation for veterans," to carry out a special survey of hourly earnings of employees engaged in retail trades. Testimony was to the effect that the purpose of this survey was in connection with the possible extension of coverage of the Fair Labor Standards Act.

This committee was not convinced that this proposed survey is so urgent that it should be included for consideration in a supplemental bill. The Department's regular 1957 appropriation bill is still pending before the committee and consideration can be given to this item.



## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## SOCIAL SECURITY ADMINISTRATION

## GRANTS TO STATES FOR PUBLIC ASSISTANCE

1955 appropriation.....	\$1, 438, 000, 000
1956 appropriation.....	1, 400, 000, 000
Supplemental estimate.....	57, 000, 000
House allowance.....	47, 000, 000
Committee recommendation.....	50, 000, 000

The committee recommends an increase of \$3,000,000 over the House allowance, to allow \$50,000,000, the amount required under the latest estimates by the Bureau of Public Assistance.

The Social Security Act establishes formulas upon which is determined the Federal share of State expenditures for public assistance—old-age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled. Congress must then appropriate whatever amount is required.

## PUBLIC HEALTH SERVICE

## CONSTRUCTION OF BIOLOGICS STANDARDS LABORATORY BUILDING

Supplemental estimate.....	\$3, 190, 000
Unobligated balances.....	(310, 000)
House allowance.....	3, 190, 000
Unobligated balances.....	(310, 000)
Committee recommendation.....	3, 190, 000
By transfer.....	(310, 000)

The recommendation of the committee represents language changes only, making available for the construction of the Biologics Standards Laboratory Building \$3,500,000, of which \$310,000 is to be derived by transfer, the same allowance as requested in the budget estimate, and as allowed by the House.

The heading of the account is changed from "Construction of research facilities" in order to permit the termination of the old account, established in 1947; and the phrase "to remain available until expended" is deleted as the law (31 U. S. C. 682) provides that "all moneys appropriated for the construction of public buildings shall remain available until the completion of the work for which they are, or may be, appropriated," at which time any unobligated balances are covered into the Treasury.

## INCREASED PAY COSTS, CAREER INCENTIVE ACT

Supplemental estimate.....	\$330, 000
House allowance.....	Not considered
Committee recommendation.....	330, 000

The committee recommends approval of the estimate, to cover partially the costs of the Career Incentive Act of 1955, granting increases in pay and allowances to commissioned officers of the Public Health Service. The total cost in the Public Health Service of this act for fiscal year 1956 was originally estimated to be \$1,375,000, of which the Public Health Service will absorb in excess of \$1 million.

Provision has previously been made for the other executive agencies—the Department of Defense, the Coast Guard, and the Coast and Geodetic Survey—covered by the Career Incentive Act.

## NATIONAL MEDIATION BOARD

## SALARIES AND EXPENSES

1955 appropriation.....	\$425, 500
1956 appropriation.....	435, 000
Supplemental estimate.....	31, 000
House allowance.....	None
Committee recommendation.....	25, 000

The committee recommends an allowance of \$25,000, to be derived by transfer from "arbitration and emergency boards," a decrease of \$6,000 from the original estimate, but the committee was advised that the lower figure would be sufficient.

The committee was advised that if no supplemental funds are made available "it will be necessary for the Board to take off the payroll on April 30, 1956, 10 mediators out of the field force of 23 men. This would reduce our field force approximately 45 percent for the months of May and June 1956, which would make it practically impossible to properly take care of the current requests for the Board's mediation services."

## RAILROAD RETIREMENT BOARD

1955 appropriation.....	\$6, 364, 000
1956 appropriation.....	6, 100, 000
Supplemental estimate.....	888, 000
House allowance.....	548, 000
Committee recommendation.....	888, 000

The committee recommends the full estimate, to be derived from the railroad retirement account.

The committee was advised that if no additional funds were allowed by the Senate, it would require furloughing about 300 employees during the final 2 months of the fiscal year.

The increased pay costs, \$393,000, were allowed by the House, as were the costs, estimated to be \$155,000, resulting from nonrecurring work under the 1955 amendments to the Railroad Retirement Act. The remaining \$340,000, which the committee is recommending, is required to finance other increased workloads.

## CHAPTER VIII—PUBLIC WORKS

### TENNESSEE VALLEY AUTHORITY

The committee recommends an additional appropriation of \$3,500,000 to the Tennessee Valley Authority, as requested in the supplemental estimate in House Document No. 330, to begin construction on unit 4 of the John Sevier steam plant, estimated to cost \$28 million when completed. It is the sense of the committee that none of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing units, installations, or projects (except for replacement purposes) unless and until approved by act of Congress.



## CHAPTER IX

### DEPARTMENT OF JUSTICE

#### SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

1956 appropriation (regular act)-----	\$9, 300, 000
Supplemental request (H. Doc. 330)-----	550, 000
House allowance-----	500, 000
Committee recommendation-----	550, 000

The committee allowance of \$550,000 will provide \$500,000 for increased salary costs granted by Public Laws 9 and 94, approved by the 84th Congress, 1st session, and \$50,000 for contract employment by the Lands Division of anthropologists, ethnologists, and high-grade appraisers vitally needed in the many land research projects required in the defense of Indian Claims cases.

#### FEES AND EXPENSES OF WITNESSES

The committee agrees to the House allowance of an additional \$100,000 for expenditure under this head in the current fiscal year, and in addition recommends for inclusion in the House bill the language limitation increase requested for payment of expert witnesses from \$175,000 to \$200,000. Testimony presented to the committee revealed that the present limitation of \$175,000 would be insufficient to meet the anticipated costs of witnesses traveling from various foreign countries in this fiscal year.

### THE JUDICIARY

#### SALARIES OF REFEREES, UNITED STATES COURTS

The committee recommends the additional appropriation of \$8,375, as compared to the House allowance and budget estimate of \$6,375 for salary changes of referees authorized by the Judicial Conference of the United States. The additional sum of \$2,000 will enable salary adjustments in the fourth quarter of the current fiscal year of those referees in bankruptcy located in the States of Georgia, Nevada, and Virginia, as authorized by the Judicial Conference at its meeting in March 1956.

## CHAPTER IX

### POST OFFICE DEPARTMENT

#### OPERATIONS

Regular appropriation, 1955 act-----	\$1,899,776,000
Regular appropriation, 1956 act-----	1,870,000,000
Supplemental estimate, 1956 (H. Doc. 341)-----	135,363,000
House allowance-----	135,363,000
Supplemental estimate, 1956-----	16,000,000
Committee recommendation-----	16,000,000

The committee recommends that the supplemental estimate of \$16 million be appropriated under this head together with a provision that the Postmaster General, with the approval of the Director of the Bureau of the Budget, may transfer such sums (not to exceed \$2 million) as he deems necessary from any appropriation available to the Post Office Department for the remainder of the fiscal year ending June 30, 1956, to any other such appropriation or appropriations without regard to the limitations imposed by the first proviso contained in the paragraph under the heading "Operations" in title II of the Treasury-Post Office Appropriation Act, 1956.

This supplemental appropriation and provision are necessary to meet increased requirements resulting from continued growth in postal volume and need for additional city delivery routes.

CHAPTER XI  
DISTRICT OF COLUMBIA  
FEDERAL PAYMENT

The committee concurs with the House in the disapproval of the \$2,000,000 supplemental estimate requested in House Document 330, as an additional Federal payment to the District of Columbia. It was the committee's opinion that the \$18,000,000 payment previously provided by the Congress in the enactment of the regular 1956 bill was sufficient to help defray the expenses of the District of Columbia government that are payable from general funds in the current fiscal year. Recent official estimates submitted to the committee indicate an increase of \$2,594,000 in the general fund account for the fiscal year 1956.

DEPARTMENT OF PUBLIC HEALTH

The committee has approved the budget estimate of \$150,000, as compared to the House allowance of \$130,000 requested for care of qualified indigent patients in the 8 voluntary hospitals. The total sum will provide \$88,000 for the emergency care program and \$62,000 for the new planned admissions program.



# CHAPTER XII

## LEGISLATIVE BRANCH

### SENATE

#### PAYMENT TO WIDOW OF DECEASED SENATOR

The committee recommends an appropriation of \$22,500 for payment to Lois Lilly Kilgore, widow of Harley M. Kilgore, late a Senator from the State of West Virginia.

#### SALARIES, OFFICERS AND EMPLOYEES

An additional appropriation of \$1,435 is recommended for the Office of the Secretary to provide an additional employee in the Office of the Financial Clerk of the Senate.

Language has been included in the bill authorizing the majority and minority leaders to fix the compensation of the assistant to the majority and the assistant to the minority at not to exceed \$8,820 basic per annum or a gross of \$14,800 per annum. The present maximum limitation for these 2 positions is \$7,320 basic per annum, or a gross of \$12,607 per annum. The additional \$1,100 required for this purpose for the balance of the fiscal year is included in the bill.

#### JOINT COMMITTEE ON THE ECONOMIC REPORT

1955 appropriation.....	\$124, 575
1956 appropriation (regular act).....	124, 575
Supplemental request.....	10, 914
Committee recommendation.....	10, 914

The committee recommends an additional appropriation of \$10,914 for the Joint Committee on the Economic Report. These additional funds will permit the committee to carry out its regular program for the remainder of the year.

#### INQUIRIES AND INVESTIGATIONS

The committee recommends an additional appropriation of \$600,000 for the balance of the fiscal year. The committee has little control over this appropriation since expenditures from this fund are authorized by the Senate irrespective of the amount available in the fund.

#### STATIONERY

The committee recommends an appropriation of \$2,900 for stationery for the balance of the fiscal year.

## GENERAL PROVISIONS

The committee recommends that the following language provision be included in the bill. This revision of existing law is recommended to enable Senators and committee chairmen to certify changes effective the 1st day of any month to the disbursing office through the 10th day of such month:

## ADMINISTRATIVE PROVISIONS.

The third proviso in the paragraph relating to the authority of Senators and committee chairmen to rearrange the basic salaries of employees in their respective offices or committees, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), is amended to read as follows: "Provided further, That Senators and committee chairmen, on or before the day on which they are to become effective, shall certify in writing such changes or rearrangements to the disbursing officer of the Senate which thereafter shall pay such employees in accordance with such certifications, except that, in the case of any change or rearrangement, other than original appointments, to become effective on or after the first day and prior to the tenth day of any month, such certification may be made at any time not later than the tenth day of such month".

## JOINT COMMITTEE ON THE ECONOMIC REPORT

The committee recommends an additional appropriation of \$10,011 for the Joint Committee on the Economic Report. These additional funds will permit the committee to carry out its regular program for the remainder of the year.

## INQUIRIES AND INVESTIGATIONS

The committee recommends an additional appropriation of \$600,000 for the balance of the fiscal year. The committee has little control over this appropriation since expenditures from this fund are authorized by the Senate irrespective of the amount available in the fund.

## YINZOUTATZ

The committee recommends an appropriation of \$25,000 for stationery for the balance of the fiscal year.

### CHAPTER XIII

#### CLAIMS FOR DAMAGES, AUDITED CLAIMS AND JUDGMENTS

The bill as passed by the House includes \$1,614,562 for the payment of claims. An additional amount of \$752,779 was submitted to the Senate under date of April 9, 1956, and the committee recommends that this additional sum be included in the bill.

The committee calls the attention of the Senate to the fact that within the sum recommended to pay claims, audited claims, and judgments submitted in House Document No. 355, \$1,156,000 is to pay the judgment in the case of *Otoe and Missouri Tribe of Indians v. United States*. This judgment was rendered by the Indian Claims Commission, affirmed by the Court of Claims, and review was denied by the Supreme Court. The claim was brought under clauses 3 and 5 of section 2 of the Indian Claims Commission Act to revised certain treaties, that had been ratified and carried out by the Government, on the grounds that the consideration involved was "unconscionable" and that certain dealings of the Government were not "fair and honorable." The claimants asserted only an "Indian title," which is an exclusive right of occupancy to the lands involved. The Supreme Court of the United States has determined that "Indian title" does not constitute a property interest that is compensable under the fifth amendment to the Constitution.

This is the first judgment based on "Indian title" to be paid under the Indian Claims Commission Act. However, there are numerous claims of this nature pending before the Indian Claims Commission, which will be affected by the decision rendered by the Court of Claims in the *Otoe and Missouri* case. The committee wishes to call this clearly to the attention of the Senate.



## CHAPTER XIV

### INCREASED PAY COSTS

The committee considered estimates submitted in House Document 341, totaling \$278,678,596 for increased civilian pay costs during fiscal year 1956 under several laws enacted in the last session of the Congress, namely, Public Laws 9, 68, 94, 139, 242, 243, and 244. The House recommended appropriations of \$274,635,771, including \$7,864,300 for the government of the District of Columbia to be financed from District of Columbia funds. The committee recommends an additional sum of \$3,886,825 for increased pay costs chargeable to the Senate which sums were not considered by the House. In addition, the committee recommends appropriations for increased pay costs in excess of the House figures as follows:

Department of Defense.....	\$10, 417, 900
Department of the Interior:	
Bonneville Power Administration.....	25, 000
Bureau of Reclamation.....	20, 000
National Railroad Adjustment Board.....	(18, 000)

The amounts recommended by the committee are compared with the budget estimates and the House figures in the following table:

	Budget estimates	House allowance	Senate committee recommen- dation	Increase over House
Total.....	\$278, 678, 596	\$274, 635, 771	\$288, 985, 496	+\$14, 349, 725
Deduct amounts payable from District of Columbia funds.....	-7, 864, 300	-7, 864, 300	-7, 864, 300	-----

It will be noted from the foregoing table that the amount of the increase recommended by the committee over the House is \$14,349,725. In this regard, it should be pointed out that \$10,417,900 of this increase represents amounts for the Department of Defense which under the House bill were being financed by transfer from the Marine Corps and for which the committee recommends direct appropriations.

Total increased Pay Act costs for 1956 were estimated at \$521,075,848 of which the Budget Bureau proposed a total of \$220,424,052 be absorbed or about 42 percent, leaving \$300,651,796 as the additional amount currently requested. A total of \$278,678,596 was considered in this chapter and a total of \$21,973,200 was considered as a part of numerous program supplemental items reported upon in other chapters.

## COMPARATIVE STATEMENT OF BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate com- mittee	Increase (+) or decrease (-) Senate bill compared with—	
					Budget estimate	House bill
S. 330	DEPARTMENT OF AGRICULTURE					
330	Agricultural Research Service, salaries and expenses	\$5, 294, 000	\$3, 794, 000	\$5, 519, 000	+\$225, 000	+\$1, 725, 000
330	Agricultural Conservation Program Service	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	-----	-----
330	Farmers' Home Administration:					
	Loan authorizations	(5, 000, 000)	(5, 000, 000)	(5, 000, 000)	-----	-----
	Salaries and expenses	1, 620, 000	1, 350, 000	1, 620, 000	-----	+270, 000
330	Commodity Credit Corporation, administrative expenses	(4, 964, 000)	(4, 500, 000)	(4, 964, 000)	-----	+(464, 000)
	Total, Chapter I	6, 914, 000	5, 144, 000	7, 139, 000	+225, 000	+1, 995, 000
	DEPARTMENT OF COMMERCE					
330	Bureau of the Census, salaries and expenses	<sup>2</sup> 428, 000	<sup>3</sup> 428, 000	<sup>2</sup> 428, 000	-----	-----
330	Maritime activities:					
	Ship construction	( <sup>4</sup> )	( <sup>5</sup> )	-----	-----	-----
	Operating-differential subsidies	30, 000, 000	30, 000, 000	30, 000, 000	-----	-----
353	War Shipping Administration liquidation	( <sup>7</sup> )	-----	( <sup>7</sup> )	-----	-----

<sup>1</sup> Language to continue emergency funds available through Dec. 31, 1956.<sup>2</sup> Plus \$100,000 derived by transfer.<sup>3</sup> Plus \$75,000 by transfer.<sup>4</sup> Language repealing limitation on number of ships for which construction differential subsidies may be paid.<sup>5</sup> Language increasing limitation from 5 to 20.

Language.

## Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate com- mittee	Increase (+) or decrease (—) Senate bill compared with—	
					Budget estimate	House bill
330	DEPARTMENT OF COMMERCE—Continued					
	Bureau of Public Roads:					
	Federal-aid highways-----	\$100,000,000	\$100,000,000	\$100,000,000		
330	Forest highways-----	4,000,000	3,000,000	3,000,000	—\$1,000,000	
	National Bureau of Standards, plant and equip- ment-----	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )		
	INDEPENDENT AGENCIES					
S. —	SMALL BUSINESS ADMINISTRATION					
	Revolving fund-----	20,000,000		20,000,000		+\$20,000,000
	Total, Chapter II-----	154,428,000	133,428,000	153,428,000	—1,000,000	+20,000,000
330	AMERICAN BATTLE MONUMENTS COMMISSION					
	Dedication of World War II Memorials-----	140,000	140,000	140,000		
	COMMISSION ON GOVERNMENT SECURITY					
330	Salaries and expenses-----	200,000	200,000	200,000		



CORREGIDOR BATAAN MEMORIAL COMMISSION					
330	Salaries and expenses-----	61, 000	56, 000	-----	-----
	Total, Chapter IV-----	401, 000	396, 000	340, 000	-----
INDEPENDENT OFFICES					
CIVIL SERVICE COMMISSION					
330	Salaries and expenses-----	(7)	(7)	(7)	-----
330	Investigations of United States citizens for employment by international organizations-----	119, 000	107, 100	107, 100	-----
330	Annuities, Panama Canal construction employees and Lighthouse Service widows-----	70, 000	70, 000	70, 000	-----
330	Administrative expenses, employees' life insurance fund-----	(7)	(7)	(7)	-----
	Total, Civil Service Commission-----	189, 000	177, 100	177, 100	-----
FEDERAL COMMUNICATIONS COMMISSION					
330	Salaries and expenses-----	(7)	(7)	(7)	-----
FEDERAL HOME LOAN BANK BOARD					
330	Administrative expenses-----	(7)	(7)	(7)	-----
FEDERAL TRADE COMMISSION					
330	Salaries and expenses-----	(7)	(7)	(7)	-----

<sup>6</sup> Language authorizing use of \$15,000 of 1956 funds for land acquisition.

<sup>7</sup> Language.

## Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate com- mittee	Increase (+) or decrease (–) Senate bill compared with—	
					Budget estimate	House bill
	INDEPENDENT OFFICES—Continued					
	GENERAL ACCOUNTING OFFICE					
	Salaries and expenses.....	(7)	(7)	(7)		
	GENERAL SERVICES ADMINISTRATION					
330	Operating expenses, Public Building Service.....	\$4, 685, 000	\$4, 685, 000	\$4, 685, 000		
330	Refunds under Renegotiation Act.....	4, 600, 000	4, 000, 000	4, 000, 000	—\$600, 000	
330	Acquisition of land and building, Chicago, Ill.....	(8)		(8)		
330	Emergency operating expenses.....	(7)	(7)			
330	Repair, improvement, and equipment.....	(7)	(7)			
330	Operating expenses, Federal Supply Service.....	(7)	(7)			
S. 107	Expenses, general supply fund.....	(9)		(9)		
330	Operating expenses, National Archives and Records Service.....	(7)	(7)			
	Total, General Services Administration.....	9, 285, 000	8, 685, 000	8, 685, 000	—600, 000	

HOUSING AND HOME FINANCE AGENCY					
OFFICE OF THE ADMINISTRATOR					
330	Salaries and expenses-----	403, 500	398, 500	398, 500	-5, 000
330	Housing loans to educational institutions-----	(7)	(7)	(7)	-----
330	Revolving fund (liquidating programs)-----	(7)	(7)	(7)	-----
FEDERAL NATIONAL MORTGAGE ASSOCIATION					
330	Administrative expenses-----	(7)	(7)	(7)	-----
FEDERAL HOUSING ADMINISTRATION					
330	Administrative expenses-----	(7)	(7)	(7)	-----
330	Housing investment insurance fund-----	(10)	(10)	(10)	-----
PUBLIC HOUSING ADMINISTRATION					
330	Administrative expenses-----	1, 525, 000	1, 436, 500	1, 436, 500	-88, 500
Total, Housing and Home Finance Agency-----		1, 928, 500	1, 835, 000	1, 835, 000	-93, 500
INTERSTATE COMMERCE COMMISSION					
330	General expenses-----	(7)	(7)	(7)	-----
330	Railroad safety-----	(7)	(7)	(7)	-----
330	Locomotive inspection-----	(7)	(7)	(7)	-----

<sup>7</sup> Language.<sup>8</sup> Authorizes use of \$3 million by transfer.<sup>9</sup> \$150,000 to be derived by transfer.<sup>10</sup> Rescission of unexpended balances.



## Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doe. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate com- mittee	Increase (+) or decrease (—) Senate bill compared with—	
					Budget estimate	House bill
INDEPENDENT OFFICES—Continued						
NATIONAL SCIENCE FOUNDATION						
330	International Geophysical Year	\$28, 000, 000	\$26, 000, 000	\$28, 000, 000		+\$2, 000, 000
SECURITIES AND EXCHANGE COMMISSION						
330	Salaries and expenses	(7)	(7)	(7)		
VETERANS' ADMINISTRATION						
330	Inpatient care	(7)	(7)	(7)		
330	Outpatient care	3, 882, 200	3, 882, 200	3, 882, 200		
330	Compensation and pensions	20, 000, 000	10, 000, 000	10, 000, 000	—\$10, 000, 000	
330	Readjustment benefits	185, 000, 000	185, 000, 000	185, 000, 000		
330	General operating expenses	(7)	(7)	(7)		
330	Medical administration and miscellaneous operat- ing expenses	(7)	(7)	(7)		
330	Maintenance and operation of supply depots	(7)	(7)	(7)		
	Total, Veterans' Administration	208, 882, 200	198, 882, 200	198, 882, 200	—10, 000, 000	
	Total, Chapter V	248, 284, 700	235, 579, 300	237, 579, 300	—10, 705, 400	+2, 000, 000

## DEPARTMENT OF THE INTERIOR

## OFFICE OF THE SECRETARY

Research in the utilization of saline water-----

200, 000

200, 000

200, 000

S. 105 Oil and Gas Division-----

35, 000

-----

35, 000

+35, 000

## BUREAU OF LAND MANAGEMENT

Management of lands and resources-----

1, 681, 700

800, 000

1, 200, 000

-481, 700

+400, 000

330 Construction-----

2, 000, 000

-----

2, 000, 000

+2, 000, 000

## BUREAU OF INDIAN AFFAIRS

} Education and welfare services-----

2, 000, 000

1, 871, 000

1, 871, 000

-129, 000

-----

S. 105 Construction-----

240, 000

-----

240, 000

+240, 000

## GEOLOGICAL SURVEY

Surveys, investigations, and research-----

1, 650, 000

1, 650, 000

1, 650, 000

-----

## NATIONAL PARK SERVICE

Jones Point Bridge-----

500, 000

-----

500, 000

+500, 000

S. 105 } Construction-----

3, 360, 000

3, 000, 000

360, 000

-3, 000, 000

-2, 640, 000

## FISH AND WILDLIFE SERVICE

Federal aid in wildlife restoration <sup>11</sup>-----

(13, 467, 468)

(13, 467, 468)

(13, 467, 468)

-----

## OFFICE OF TERRITORIES

Administration of Territories-----

60, 000

60, 000

60, 000

-----

Total, Department of the Interior-----

11, 726, 700

7, 581, 000

8, 116, 000

-3, 610, 700

+535, 000

<sup>1</sup> Language.<sup>11</sup> Appropriation of receipts. Not included in totals of this tabulation.

## Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate com- mittee	Increase (+) or decrease (—) Senate bill compared with—	
					Budget estimate	House bill
330	DEPARTMENT OF AGRICULTURE					
	FOREST SERVICE					
	Salaries and expenses.....	\$8, 213, 500	\$7, 913, 500	\$7, 913, 500	—\$300, 000	-----
330	INDEPENDENT OFFICES					
	District of Columbia Auditorium Commission.....	25, 000	-----	-----	—25, 000	-----
	National Monument Commission.....	25, 000	-----	-----	—25, 000	-----
330	Total, Independent Offices.....	50, 000	-----	-----	—50, 000	-----
	Total, Chapter VI.....	19, 990, 200	15, 494, 500	16, 029, 500	—3, 960, 700	+ \$535, 000
	DEPARTMENT OF LABOR					
330	BUREAU OF EMPLOYMENT SECURITY					
	Mexican farm labor program.....			(13)		-----
	BUREAU OF LABOR STATISTICS					
330	Special wage survey.....	(12)	-----	-----	-----	-----
	Total, Department of Labor.....		-----	-----	-----	-----



DEPARTMENT OF HEALTH, EDUCATION,  
AND WELFARE

## OFFICE OF EDUCATION

330 Payments to school districts----- 25, 000, 000 25, 000, 000 -----

330 Assistance for school construction----- 9, 900, 000 9, 900, 000 -----

## PUBLIC HEALTH SERVICE

330 Grants to States for poliomyelitis vaccination----- 33, 000, 000 27, 800, 000 -5, 200, 000 -----

330 Construction of research facilities----- 3, 190, 000 3, 190, 000 -----

Assistance to States, general----- 55, 000 55, 000 +55, 000 -----

Communicable diseases----- 55, 000 55, 000 +55, 000 -----

Sanitary engineering activities----- 70, 000 70, 000 +70, 000 -----

Foreign quarantine service----- 20, 000 20, 000 +20, 000 -----

Retired pay of commissioned officers----- 130, 000 130, 000 +130, 000 -----

## SOCIAL SECURITY ADMINISTRATION

330 Grants to States for public assistance----- 57, 000, 000 47, 000, 000 50, 000, 000 -7, 000, 000 +3, 000, 000 -----

Total, Department of Health, Education,  
and Welfare----- 128, 420, 000 112, 890, 000 116, 220, 000 -12, 200, 000 +3, 330, 000 -----

## NATIONAL LABOR RELATIONS BOARD

330 Salaries and expenses----- 951, 500 800, 000 -151, 500 -----

<sup>12</sup> Request for transfer of \$200,000 from "Unemployment compensation for veterans" was not allowed.

<sup>13</sup> \$65,000 to be derived by transfer.

## Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate com- mittee	Increase (+) or decrease (—) Senate bill compared with—	
					Budget estimate	House bill
330	NATIONAL MEDIATION BOARD	(14)		(15)		
	Salaries and expenses-----					
330	RAILROAD RETIREMENT BOARD					
	Salaries and expenses-----	[\$888, 000]	[\$548, 000]	[\$888, 000]		+ [\$340, 000]
	Total, Chapter VII-----	129, 371, 500	113, 690, 000	117, 020, 000	—\$12, 351, 500	+ 3, 330, 000
	PUBLIC WORKS					
	DEPARTMENT OF THE INTERIOR					
	OFFICE OF THE SECRETARY					
330	Operation and Maintenance, Southeastern Power Administration-----	235, 000	235, 000	235, 000		
	DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS					
	RIVERS AND HARBORS AND FLOOD CONTROL					
330	Operation and Maintenance, General-----	15, 350, 000	15, 375, 000	15, 375, 000	+25, 000	
330	TENNESSEE VALLEY AUTHORITY-----	3, 500, 000		3, 500, 000		+3, 500, 000
	Total, Chapter VIII-----	19, 085, 000	15, 610, 000	19, 110, 000	+25, 000	+3, 500, 000

DEPARTMENT OF STATE				
330	Payment to Foreign Service retirement and disability fund-----	1, 236, 000	1, 236, 000	1, 236, 000
330	Extension and remodeling, State Department Building-----	900, 000	800, 000	800, 000
330	Contributions to international organizations-----	349, 790	349, 790	349, 790
	Total, Department of State-----	2, 485, 790	2, 385, 790	2, 385, 790
DEPARTMENT OF JUSTICE				
LEGAL ACTIVITIES AND GENERAL ADMINISTRATION				
330	Salaries and expenses, general legal activities-----	550, 000	500, 000	550, 000
330	Salaries and expenses, Antitrust Division-----	364, 000	364, 000	364, 000
330	Fees and expenses of witnesses-----	200, 000	100, 000	100, 000
330	Salaries and expenses, claims of persons of Japanese ancestry-----	712, 000	600, 000	600, 000
	Total, Department of Justice-----	1, 826, 000	1, 564, 000	1, 614, 000
THE JUDICIARY				
SUPREME COURT OF THE UNITED STATES				
330	Miscellaneous expenses-----	900	900	900

<sup>14</sup> Request for transfer of \$31,000 from "Arbitration and emergency boards" was not allowed.

<sup>15</sup> Transfer of \$25,000 from "Arbitration and emergency boards."



## Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate com- mittee	Increase (+) or decrease (-) Senate bill compared with—	
					Budget estimate	House bill
THE JUDICIARY—Continued						
	COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES					
330	Travel and miscellaneous expenses.....	(16)	(16)	(16)		
330	Salaries of referees.....	(\$6, 375)	(\$6, 375)	(\$8, 375)	+	(\$2, 000)
330	Expenses of referees.....	(111, 500)	(111, 500)	(111, 500)		
	Total, the Judiciary.....	900	900	900		
	Total, Chapter IX.....	4, 312, 690	3, 950, 690	4, 000, 690	—	+50, 000
TREASURY DEPARTMENT						
	BUREAU OF ACCOUNTS					
330	Salaries and expenses..... COAST GUARD	163, 000	163, 000	163, 000		
330	Reserve training.....	(17)	(17)	(17)		
326	Reserve training, 1957.....	3, 500, 000	3, 500, 000	3, 500, 000		
	Total, Treasury Department.....	3, 663, 000	3, 663, 000	3, 663, 000		

S.	POST OFFICE DEPARTMENT	16, 000, 000	87, 000	16, 000, 000	87, 000	16, 000, 000	+ 16, 000, 000
—	Operations-----						
	THE TAX COURT OF THE UNITED STATES						
330	Salaries and expenses-----	87, 000	87, 000		87, 000		
	Total, Chapter X-----	19, 750, 000	3, 750, 000		19, 750, 000		+ 16, 000, 000
	DISTRICT OF COLUMBIA						
330	Federal payment-----	2, 000, 000				-2, 000, 000	
	OPERATING EXPENSES						
330	Metropolitan Police-----	(240, 000)	(240, 000)		(240, 000)		+ (20, 000)
	Department of Public Health:						
330	Medical charities-----	(150, 000)	(130, 000)		(150, 000)		
330	Freedmen's Hospital (1954)-----	(137, 489)	(137, 489)		(137, 489)		
	Public Welfare:						
352	Public assistance grants-----	(250, 000)	(250, 000)		(250, 000)		
330	National Training School for Boys (1955)-----	(327, 000)	(327, 000)		(327, 000)		
330	Department of Highways-----	(393, 000)	(393, 000)		(393, 000)		
330	Settlement of claims and suits-----	(44, 708)	(44, 708)		(44, 708)		
330	Judgments-----	(18, 728)	(18, 728)		(18, 728)		
330	Audited claims-----	(85, 785)	(85, 785)		(85, 785)		
	Total, Federal funds (Chapter XI)-----	2, 000, 000				-2, 000, 000	
	Total, District of Columbia funds-----	(1, 646, 710)	(1, 626, 710)		(1, 646, 710)		+ (20, 000)

<sup>16</sup> \$225,000 to be derived by transfer.

<sup>17</sup> \$868,000 to be derived by transfer.

## Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Amount recommended by Senate com- mittee	Increase (+) or decrease (—) Senate bill compared with—	
					Budget estimate	House bill
	SENATE					
	Widow of Senator Harley M. Kilgore			\$22, 500	+\$22, 500	+\$22, 500
	Office of the Secretary			2, 535	+2, 535	+2, 535
	Contingent expenses of the Senate:					
	Joint Committee on the Economic Report			10, 914	+10, 914	+10, 914
	Inquiries and investigations			600, 000	+600, 000	+600, 000
	Stationery			2, 900	+2, 900	+2, 900
				638, 849	+638, 849	+638, 849
	HOUSE OF REPRESENTATIVES					
	Gratuity payment to beneficiary of deceased Member		\$22, 500	22, 500	+22, 500	-----
	CONTINGENT EXPENSES OF THE HOUSE					
338	Special and select committees	\$400, 000	300, 000	300, 000	-100, 000	-----
338	Stationery (revolving fund)	100	100	100	-----	-----
338	Attending physician's office	1, 000	1, 000	1, 000	-----	-----
338	Folding documents	15, 000	15, 000	15, 000	-----	-----



338	CAPITOL POLICE				
	General expenses-----	1, 700	1, 700	1, 700	-----
	Total, Chapter XII-----	417, 800	340, 300	979, 149	+ 638, 849
	JUDGMENTS AND AUTHORIZED CLAIMS				
S. 110} 355}	Claims, audited claims and judgments-----	2, 367, 341	1, 614, 562	2, 367, 341	+ 752, 779
	Total, Chapter XIII-----	2, 367, 341	1, 614, 562	2, 367, 341	+ 752, 779
	INCREASED PAY COSTS				
	Increased pay costs-----	270, 814, 296	266, 771, 471	281, 121, 196	+ 14, 349, 725
341	Total, Chapter XIV-----	270, 814, 296	266, 771, 471	281, 121, 196	+ 14, 349, 725
	Grand total-----	878, 136, 527	795, 768, 823	858, 864, 176	+ 63, 095, 353

○



Calendar No. 1746

84TH CONGRESS  
2D SESSION

# H. R. 10004

[Report No. 1725]

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## IN THE SENATE OF THE UNITED STATES

MARCH 21 (legislative day, MARCH 19), 1956

Read twice and referred to the Committee on Appropriations

APRIL 11 (legislative day, APRIL 9), 1956

Reported by Mr. HAYDEN, with amendments

[Omit the part struck through and insert the part printed in italic]

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## AN ACT

Making supplemental appropriations for the fiscal year ending  
June 30, 1956, and for other purposes.

- 1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the following sums are appropriated, out of any money  
4       in the Treasury not otherwise appropriated, to supply sup-  
5       plemental appropriations (this Act may be cited as the  
6       “Second Supplemental Appropriation Act, 1956”) for the  
7       fiscal year ending June 30, 1956, and for other purposes,  
8       namely:



## CHAPTER I

## DEPARTMENT OF AGRICULTURE

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:

"Research", ~~\$1,217,530~~ \$2,217,530;

"Plant and animal disease and pest control",  
~~\$1,527,780~~ \$2,252,780, of which ~~\$500,000~~ \$725,000  
shall be apportioned for use pursuant to section 3679 of  
the Revised Statutes, as amended, for the control of out-  
breaks of insects and plant diseases under the joint reso-  
lution approved May 9, 1938 (7 U. S. C. 148-148e),  
and the Act of August 13, 1954 (7 U. S. C. 148), to  
the extent necessary to meet emergency conditions; and

"Meat inspection", \$1,048,690.

## AGRICULTURAL CONSERVATION PROGRAM SERVICE

The unobligated balance of the amount made available  
under this head in the Supplemental Appropriation Act,  
1956, shall, subject to the same conditions, remain available  
until December 31, 1956, for the same purposes, for emer-  
gency measures to restore farm lands damaged by hurricanes  
and excessive floods, and for reimbursement to the appro-  
priation to the President for "Disaster relief", for allocations  
to the Secretary of Agriculture for such purposes.

# FARMERS' HOME ADMINISTRATION

## LOAN AUTHORIZATIONS

For loans under title V of the Housing Act of 1949, as amended, \$5,000,000, to remain available until expended: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in the manner authorized under this head in the Department of Agriculture Appropriation Act, 1952.

## SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses",  
\$1,350,000 \$1,620,000.

## COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, on the amount available for administrative expenses of the Corporation, is increased from "\$26,000,000" to "~~\$30,500,000~~" "\$30,964,000".

## CHAPTER II

## DEPARTMENT OF COMMERCE

### BUREAU OF THE CENSUS

### SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses",  
\$503,000 \$528,000, of which ~~\$75,000~~ \$100,000 shall be derived by transfer from the appropriation granted in the

1 Department of Commerce and Related Agencies Appropri-  
2 ation Act, 1956, for "Census of agriculture".

### 3 MARITIME ACTIVITIES

#### 4 SHIP CONSTRUCTION

5 The limitation under this head in the Department of  
6 Commerce and Related Agencies Appropriation Act, 1956,  
7 on the number of cargo ships for replacement, for which  
8 payment may be made for construction differential subsidy  
9 and national-defense features, is increased from five to twenty.

#### 10 OPERATING-DIFFERENTIAL SUBSIDIES

11 For an additional amount for "Operating-differential  
12 subsidies", \$30,000,000, to remain available until expended.

#### 13 WAR SHIPPING ADMINISTRATION LIQUIDATION

14 The limitation under this head in the Department of  
15 Commerce and Related Agencies Appropriation Act, 1956,  
16 on the amount available from prior appropriations for the  
17 liquidation of certain obligations approved by the General  
18 Accounting Office and for the payment of obligations in-  
19 curred against the working fund titled "Working fund,  
20 Commerce, War Shipping Administration functions, Decem-  
21 ber 31, 1946", is increased from " \$5,900,000" to "\$24,000,-  
22 000". Provided that the amount of such increase shall be  
23 available only for Court of Claims and district court  
24 judgments and payments to disabled seamen authorized by  
25 Fifty-eighth Statutes at Large, page 758.



## BUREAU OF PUBLIC ROADS

## FEDERAL-AID HIGHWAYS

For an additional amount for "Federal-aid highways", to remain available until expended, \$100,000,000, which sum is a part of the amount authorized to be appropriated for the fiscal year 1955.

## FOREST HIGHWAYS

For an additional amount for "Forest highways", to remain available until expended, \$3,000,000, which sum is a part of the amount authorized to be appropriated for the fiscal year 1956.

## NATIONAL BUREAU OF STANDARDS

## PLANT AND EQUIPMENT

Not to exceed \$15,000 of the appropriation granted under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, shall be available for necessary expenses for the acquisition of land necessary for the operation of a radio propagation field station in the Territory of Hawaii.

## INDEPENDENT AGENCIES

## SMALL BUSINESS ADMINISTRATION

## REVOLVING FUND

*For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitation, \$20,000,000.*

## 1 CHAPTER III

## 2 DEPARTMENT OF DEFENSE—MILITARY

## 3 FUNCTIONS

## 4 DEPARTMENT OF THE NAVY

## 5 AUDITED CLAIMS

6 Applicable current appropriations of the Department  
7 of the Navy shall be available for the payment of claims  
8 certified by the Comptroller General to be otherwise due,  
9 in the amounts stated below, from the following appro-  
10 priations:

11 “Pay, subsistence, and transportation, Navy”, fiscal  
12 year 1943, \$7,070.23;

13 “Transportation of things, Navy”, fiscal year 1948,  
14 \$1,108.12;

15 “Maintenance, Bureau of Supplies and Accounts,  
16 Navy”, fiscal year 1943, \$1,316.35; and

17 “Maintenance, Bureau of Ships, Navy”, fiscal year  
18 1946, \$91,292.69.

## 19 CHAPTER IV

## 20 GENERAL GOVERNMENT MATTERS

## 21 AMERICAN BATTLE MONUMENTS COMMISSION

## 22 DEDICATION OF WORLD WAR II MEMORIALS

23 For expenses necessary for appropriate dedications of  
24 World War II memorials, erected under the authority of  
25 the Act of June 26, 1946 (36 U. S. C. 123), to be avail-

1 able for such purposes as the Commission may deem neces-  
 2 sary and proper and without regard to the provisions of  
 3 other laws or regulations relating to the expenditure of  
 4 public funds (except that this exemption shall not be con-  
 5 strued as waiving the requirement for the submission of  
 6 accounts and vouchers to the General Accounting Office  
 7 for audit), \$140,000, to remain available until June 30,  
 8 1957: *Provided*, That, when in the discretion of any other  
 9 government agency it would be in the public interest, per-  
 10 sonnel, services, supplies, equipment, and facilities of such  
 11 agency may be furnished without reimbursement to the  
 12 Commission for the purposes of this appropriation.

#### 13 COMMISSION ON GOVERNMENT SECURITY

##### 14 SALARIES AND EXPENSES

15 For an additional amount for "Salaries and expenses",  
 16 \$200,000, and said appropriation shall remain available until  
 17 March 31, 1957.

#### 18 CORREGIDOR BATAAN MEMORIAL COMMISSION

##### 19 SALARIES AND EXPENSES

20 For expenses necessary to carry out the provisions of  
 21 the Act of August 5, 1953, as amended (67 Stat. 366 and  
 22 69 Stat. 589), \$56,000, to remain available through June  
 23 30, 1957.



## CHAPTER V

## INDEPENDENT OFFICES

## CIVIL SERVICE COMMISSION

## SALARIES AND EXPENSES

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from “\$443,000” to “\$488,000”, and the limitation under said head on the amount available for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767), is increased from “\$65,000” to “\$70,000”.

## INVESTIGATIONS OF UNITED STATES CITIZENS FOR EMPLOYMENT BY INTERNATIONAL ORGANIZATIONS

For an additional amount for “Investigations of United States citizens for employment by international organizations”, \$107,100.

## ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES AND LIGHTHOUSE SERVICE WIDOWS

For an additional amount for “Annuities, Panama Canal construction employees and Lighthouse Service widows”, \$70,000.

## ADMINISTRATIVE EXPENSES, EMPLOYEES' LIFE INSURANCE FUND

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount made avail-

1 able from the "Employees' life insurance fund" for reim-  
 2 bursement to the Civil Service Commission for administrative  
 3 expenses incurred in the administration of the Federal  
 4 Employees' Group Life Insurance Act, is increased from  
 5 "\$80,000" to ~~"\$100,000"~~ "\$135,000".

## 6 FEDERAL COMMUNICATIONS COMMISSION

### 7 SALARIES AND EXPENSES

8 The limitation under this head in the Independent  
 9 Offices Appropriation Act, 1956, on the amount available  
 10 for expenses of travel, is increased from "\$65,000" to  
 11 "\$94,000".

## 12 FEDERAL HOME LOAN BANK BOARD

13 The amount made available in title II of the Independ-  
 14 ent Offices Appropriation Act, 1956, for administrative ex-  
 15 penses of the Home Loan Bank Board is increased from  
 16 "\$920,000" to "\$978,400", and the amount made available  
 17 to said Board for nonadministrative expenses, is increased  
 18 from "\$2,995,000" to ~~"\$3,338,800"~~ "\$3,438,800".

## 19 FEDERAL TRADE COMMISSION

### 20 SALARIES AND EXPENSES

21 The limitation under this head in the Independent Offices  
 22 Appropriation Act, 1956, on the amount available for ex-  
 23 penses of travel, is increased from "\$160,000" to "\$175,000".

1                   GENERAL ACCOUNTING OFFICE

2       The provisions of section 102 of the Independent Offices  
3   Appropriation Act, 1956, shall not apply to travel performed  
4   by employees of the General Accounting Office.

5                   GENERAL SERVICES ADMINISTRATION

6       OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

7       For an additional amount for "Operating expenses, Pub-  
8   lic Buildings Service", \$4,685,000; and the limitation under  
9   this head in the Independent Offices Appropriation Act,  
10   1956, on the amount available for expenses of travel, is in-  
11   creased from "\$163,500" to "\$185,600".

12                  REFUNDS UNDER RENEGOTIATION ACT

13       For an additional amount for "Refunds under Renego-  
14   tiation Act", \$4,000,000, to remain available until expended.

15       ACQUISITION OF LAND AND BUILDING, CHICAGO, ILLINOIS

16       *For the acquisition of the parcel of land located at 536*  
17   *South Clark Street, Chicago, Illinois, together with all*  
18   *improvements thereon and appertaining thereto, including*  
19   *incidental expenses, to remain available until expended,*  
20   *\$3,000,000, to be derived by transfer from the appropriation*  
21   *"Sites and planning, purchase contract, and public buildings*  
22   *projects".*

23                  EXPENSES, GENERAL SUPPLY FUND

24       For an additional amount for "Expenses, general supply  
25   fund", \$450,000, to be derived by transfer from the appro-



1 priation for "Sites and planning, purchase contract, and  
2 public buildings projects".

### 3 INCREASED TRAVEL LIMITATIONS

4 Limitations imposed by the Independent Offices Appro-  
5 priation Act, 1956, as amended by the Supplemental Ap-  
6 propriation Act, 1956, on amounts available for travel ex-  
7 penses under the following appropriations are increased as  
8 follows:

9 "Emergency operating expenses" from "\$13,400"  
10 to "\$15,300";

11 "Repair, improvement, and equipment" from  
12 "\$155,000" to "\$178,250";

13 "Operating expenses, Federal Supply Service" from  
14 "\$59,750" to "\$68,100"; and

15 "Operating expenses, National Archives and Rec-  
16 ords Service" from "\$30,750" to "\$34,750".

### 17 HOUSING AND HOME FINANCE AGENCY

#### 18 OFFICE OF THE ADMINISTRATOR, SALARIES AND EXPENSES

19 For an additional amount for "Salaries and expenses",  
20 \$398,500; and the limitation under this head in the Inde-  
21 pendent Offices Appropriation Act, 1956, on the amount  
22 available for expenses of travel, is increased from "\$263,-  
23 700" to "\$304,860": *Provided*, That the limitation under  
24 this head on the amount available for certain nonadministra-  
25 tive expenses, is increased from "\$700,000" to "\$743,000".

OFFICE OF THE ADMINISTRATOR, HOUSING LOANS TO  
EDUCATIONAL INSTITUTIONS

The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from “\$500,000” to “\$706,300”, and the limitation thereunder on the amount available for expenses of travel, is increased from “\$19,000” to “\$30,400”.

OFFICE OF THE ADMINISTRATOR, REVOLVING FUND (LIQUIDATING PROGRAMS)

The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from “\$2,600,000” to “\$2,788,000”, and the limitation thereunder on the amount available for expenses of travel, is increased from “\$183,200” to “\$213,200”.

## FEDERAL NATIONAL MORTGAGE ASSOCIATION

The limitation under this head in title II of the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from “\$90,000” to “\$130,000”.

## FEDERAL HOUSING ADMINISTRATION

The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from “\$5,900,000” to

1 “\$6,692,500”, and the limitation thereunder on the amount  
 2 available for expenses of travel, is increased from “\$300,000”  
 3 to “\$367,500”: *Provided*, That the limitation under said  
 4 head on the amount available for certain nonadministrative  
 5 expenses of said Administration, is increased from “\$33,-  
 6 000,000” to “\$35,050,000”.

#### 7 HOUSING INVESTMENT INSURANCE FUND

8 The unexpended balance of funds appropriated to the  
 9 Treasury Department under the head “Office of the Secre-  
 10 tary, Housing Investment Insurance Fund”, in the Supple-  
 11 mental Appropriation Act, 1949, is rescinded and shall be  
 12 covered into the Treasury upon approval of this Act.

#### 13 PUBLIC HOUSING ADMINISTRATION

##### 14 ADMINISTRATIVE EXPENSES

15 For an additional amount for “Administrative expenses”,  
 16 \$1,436, 500.

17 The amount made available under this head in title II  
 18 of the Independent Offices Appropriation Act, 1956, for  
 19 administrative expenses, is increased from “\$8,200,000” to  
 20 “\$9,636,500”, and shall be available for uniforms, or allow-  
 21 ances therefor, as authorized by the Act of September 1,  
 22 1954, as amended (5 U. S. C. 2131) ; and the limitation  
 23 thereunder on the amount available for expenses of travel,  
 24 is increased from “\$530,000” to “\$682,000”,



## INTERSTATE COMMERCE COMMISSION

### GENERAL EXPENSES

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from “\$330,000” to “\$397,000”.

### RAILROAD SAFETY

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from “\$163,050” to “\$176,000”.

### LOCOMOTIVE INSPECTION

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from “\$112,620” to “\$124,000”.

## NATIONAL SCIENCE FOUNDATION

### INTERNATIONAL GEOPHYSICAL YEAR

For an additional amount for “International Geophysical Year”, ~~\$26,000,000~~ \$28,000,000, to remain available until June 30, 1960.

## SECURITIES AND EXCHANGE COMMISSION

### SALARIES AND EXPENSES

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from “\$132,000” to “\$157,500”.

## VETERANS ADMINISTRATION

## INPATIENT CARE

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel of employees, is increased from "\$246,000" to "\$357,700": *Provided*, That, notwithstanding the last proviso under this head in the Independent Offices Appropriation Act, 1956, inpatient care and treatment may be furnished to an average of 130,309 beneficiaries (excluding members in State or Territorial homes) during the current fiscal year without any proportionate reduction in expenditures.

## OUTPATIENT CARE

For an additional amount for "Outpatient care", \$3,882,200; and the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel of employees, is increased from "\$170,000" to "\$208,000".

## COMPENSATION AND PENSIONS

For an additional amount for "Compensation and pensions", \$10,000,000, to remain available until expended.

## READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", \$185,000,000, to remain available until expended.

INCREASED TRAVEL LIMITATIONS

Limitations imposed by the Independent Offices Appropriation Act, 1956, on amounts available for travel expenses under the following appropriations are increased as follows:

“General operating expenses” from “\$2,731,000” to “\$2,891,550”;

“Medical administration and miscellaneous operating expenses” from “\$751,800” to “\$824,950”; and

“Maintenance and operation of supply depots” from “\$2,500” to “\$2,880”.

CHAPTER VI

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

RESEARCH IN THE UTILIZATION OF SALINE WATER

For an additional amount for “Research in the utilization of saline water”, \$200,000.

OIL AND GAS DIVISION

*For an additional amount for “Oil and Gas Division”, \$35,000.*

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For an additional amount for “Management of lands and resources”, ~~\$800,000~~ \$1,200,000.



## CONSTRUCTION

For an additional amount for "Construction", \$2,000,000, to remain available until expended.

## BUREAU OF INDIAN AFFAIRS

## EDUCATION AND WELFARE SERVICES

For an additional amount for "Education and welfare services", \$1,871,000: *Provided, That the Secretary of the Army is authorized and directed to transfer to the Secretary of the Interior, without exchange of funds, forty-six school buses presently on loan to the Bureau of Indian Affairs.*

## CONSTRUCTION

For an additional amount for "Construction", \$240,000, to remain available until expended: *Provided, That the funds herein used for restoration of Indian irrigation facilities shall be nonreimbursable: Provided further, That not to exceed \$54,000 used for emergency reconstruction, replacement or repair of the San Carlos irrigation facilities damaged or destroyed by flood and storm in 1955 shall be nonreimbursable.*

## GEOLOGICAL SURVEY

## SURVEYS, INVESTIGATIONS, AND RESEARCH

For an additional amount for "Surveys, investigations, and research", \$1,650,000.

## 1 NATIONAL PARK SERVICE

## 2 CONSTRUCTION

3 For an additional amount for "~~Construction~~", \$3,000,-  
4 000. For an additional amount for "Construction", \$360,-  
5 000, to remain available until expended.

## 6 JONES POINT BRIDGE

7 For expenses necessary for the construction of a bridge  
8 over the Potomac River pursuant to the provisions of the  
9 Act of August 30, 1954 (68 Stat. 963, 964), \$500,000,  
10 to remain available until expended: Provided, That the unex-  
11 pended balance of the appropriation granted under this head  
12 in the Second Supplemental Appropriation Act, 1955, is  
13 hereby merged with this appropriation.

## 14 FISH AND WILDLIFE SERVICE

## 15 FEDERAL AID IN WILDLIFE RESTORATION

16 For "Federal aid in wildlife restoration", an amount  
17 equal to 20 per centum of the accumulated unappropriated  
18 receipts in the "Federal aid to wildlife restoration fund"  
19 on August 12, 1955, and a like amount for each of the four  
20 next succeeding fiscal years, to be derived from said fund  
21 pursuant to the provisions of the Act of August 12, 1955  
22 (69 Stat. 698) : Provided, That the annual apportionments  
23 to the Territories of Alaska and Hawaii, and to Puerto  
24 Rico and the Virgin Islands authorized by section 8a of

1 the Act of September 2, 1937 (16 U. S. C. 669g-1), as  
2 amended, may be increased by not to exceed 20 per centum.

3 OFFICE OF TERRITORIES

4 ADMINISTRATION OF TERRITORIES

5 For an additional amount for "Administration of Terri-  
6 tories", \$60,000.

7 DEPARTMENT OF AGRICULTURE

8 FOREST SERVICE

9 SALARIES AND EXPENSES

10 For additional amounts for "Salaries and expenses",  
11 as follows:

12 "National forest protection and management",  
13 \$2,178,500;

14 "Fighting forest fires", \$5,250,000;

15 "Control of forest pests", \$30,000; and

16 "Forest research", \$455,000.

17 CHAPTER VII

18 DEPARTMENT OF LABOR

19 BUREAU OF EMPLOYMENT SECURITY

20 MEXICAN FARM LABOR PROGRAM

21 For an additional amount for "Salaries and expenses,  
22 Mexican farm labor program", \$65,000, to be derived by  
23 transfer from the appropriation "Unemployment compensa-  
24 tion for veterans".



1 DEPARTMENT OF HEALTH, EDUCATION, AND  
2 WELFARE

3 OFFICE OF EDUCATION

4 PAYMENTS TO SCHOOL DISTRICTS

5 For an additional amount for "Payments to school dis-  
6 tricts", \$25,000,000.

7 ASSISTANCE FOR SCHOOL CONSTRUCTION

8 For an additional amount for "Assistance for school  
9 construction", including carrying out the provisions of the  
10 Act of August 12, 1955 (Public Law 382), \$9,900,000,  
11 to remain available until expended.

12 PUBLIC HEALTH SERVICE

13 GRANTS TO STATES FOR POLIOMYELITIS VACCINATION

14 For an additional amount for "Grants to States for  
15 poliomyelitis vaccination", \$27,800,000, and such amount  
16 together with amounts previously appropriated under this  
17 head shall remain available until June 30, 1957.

18 CONSTRUCTION OF RESEARCH FACILITIES

19 For construction of a laboratory building for the bio-  
20 logics standards activities of the National Institutes of  
21 Health, and for expansion of and additional equipment for  
22 the boiler plant, including the preparation of plans, super-  
23 vision, and fixed equipment, to remain available until ex-  
24 pended, \$3,190,000, together with not to exceed \$310,000

1 of the unobligated balance of funds previously appropriated  
2 under this head.

3 CONSTRUCTION OF BIOLOGICS STANDARDS LABORATORY  
4 BUILDING

5 For construction of a laboratory building for the bio-  
6 logics standards activities of the National Institutes of Health,  
7 and for expansion of and additional equipment for the boiler  
8 plant, including the preparation of plans, supervision, and  
9 fixed equipment, \$3,190,000, together with not to exceed  
10 \$310,000 to be derived by transfer from "Construction of  
11 research facilities".

12 INCREASED PAY COSTS, CAREER INCENTIVE ACT OF 1955

13 For additional amounts for appropriations for the fiscal  
14 year 1956, for increased pay costs authorized by the Act of  
15 March 31, 1955 (Public Law 20), as follows:

16 "Assistance to States, general", \$55,000;

17 "Communicable diseases", \$55,000;

18 "Sanitary engineering activities", \$70,000;

19 "Foreign quarantine service", \$20,000;

20 "Retired pay of commissioned officers", \$130,000;

21 The Surgeon General is authorized to transfer between  
22 appropriations to the Public Health Service such amounts  
23 as may be necessary to meet increased costs authorized by  
24 Public Law 20, Eighty-fourth Congress, but no appropri-

tion shall be increased by more than \$10,000 as a result of such transfers.

### SOCIAL SECURITY ADMINISTRATION

#### GRANTS TO STATES FOR PUBLIC ASSISTANCE

For an additional amount for "Grants to States for public assistance", ~~\$47,000,000~~ \$50,000,000.

### NATIONAL LABOR RELATIONS BOARD

#### SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses," \$800,000.

### NATIONAL MEDIATION BOARD

For an additional amount for "Salaries and expenses", \$25,000, to be derived by transfer from the appropriation "Arbitration and emergency boards", fiscal year 1956.

### RAILROAD RETIREMENT BOARD

#### SALARIES AND EXPENSES, RAILROAD RETIREMENT BOARD

#### (TRUST FUND)

For an additional amount for "Salaries and expenses, Railroad Retirement Board (trust fund)," ~~\$548,000~~ \$888,000, to be derived from the railroad retirement account.

## CHAPTER VIII

### PUBLIC WORKS

#### TENNESSEE VALLEY AUTHORITY

For an additional amount for "Tennessee Valley Authority", \$3,500,000, to remain available until expended.



## 1 DEPARTMENT OF THE INTERIOR

## 2 OFFICE OF THE SECRETARY

## 3 OPERATION AND MAINTENANCE, SOUTHEASTERN

## 4 POWER ADMINISTRATION

5 For an additional amount for "Operation and main-  
6 tenance, Southeastern Power Administration", \$235,000.

## 7 DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

## 8 RIVERS AND HARBORS AND FLOOD CONTROL

## 9 Operation and Maintenance, General

10 For an additional amount for "Operation and main-  
11 tenance, general", to remain available until expended,  
12 \$15,375,000, of which \$15,000,000 shall be available for  
13 carrying out the provisions of the Act of June 28, 1955  
14 (Public Law 99), and of which not more than \$25,000 shall  
15 be available for the dredging of the Kalamazoo River, where  
16 it flows into Lake Michigan.

## 17 CHAPTER IX

## 18 DEPARTMENT OF STATE

## 19 PAYMENT TO FOREIGN SERVICE RETIREMENT AND

## 20 DISABILITY FUND

21 For payment to the Foreign Service retirement and  
22 disability fund as authorized by the Foreign Service Act of  
23 1946 (22 U. S. C. 1061-1116), \$1,236,000.

## EXTENSION AND REMODELING, STATE DEPARTMENT

## BUILDING

For an additional amount for "Extension and remodeling, State Department Building", to remain available until expended, \$800,000, to be transferred to the General Services Administration.

## CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", \$349,790.

## DEPARTMENT OF JUSTICE

## LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

## SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, general legal activities", ~~\$500,000~~ \$550,000.

## SALARIES AND EXPENSES, ANTITRUST DIVISION

For an additional amount for "Salaries and expenses, Antitrust Division", \$364,000.

## FEES AND EXPENSES OF WITNESSES

For an additional amount for "Fees and expenses of witnesses", \$100,000; *and the limitation under this head in the Department of Justice Appropriation Act, 1956, on the amount available for compensation and expenses of witnesses or informants, is increased from "\$175,000" to \$200,000*,

SALARIES AND EXPENSES, CLAIMS OF PERSONS OF

JAPANESE ANCESTRY

For an additional amount for "Salaries and expenses, claims of persons of Japanese ancestry", \$600,000.

THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

MISCELLANEOUS EXPENSES

For an additional amount for "Miscellaneous expenses", \$900.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER

JUDICIAL SERVICES

TRAVEL AND MISCELLANEOUS EXPENSES

For an additional amount for "Travel and miscellaneous expenses", \$225,000, to be derived by transfer from the appropriation "Fees of jurors and commissioners", fiscal year 1956.

SALARIES OF REFEREES

For an additional amount for "Salaries of referees", ~~\$6,375~~ \$8,375, to be derived from the referees' salary fund established in pursuance of the Act of June 28, 1946, as amended (11 U. S. C. 68).

EXPENSES OF REFEREES

For an additional amount for "Expenses of referees",



1 \$111,500, to be derived from the referees' expense fund  
2 established in pursuance of the Act of June 28, 1946, as  
3 amended (11 U. S. C. 68 (c) (4)).

## 4 CHAPTER X

### 5 TREASURY DEPARTMENT

#### 6 BUREAU OF ACCOUNTS

##### 7 SALARIES AND EXPENSES

8 For an additional amount for "Salaries and expenses",  
9 \$163,000.

#### 10 COAST GUARD

##### 11 RESERVE TRAINING

12 For an additional amount for "Reserve training",  
13 \$868,000, to be derived by transfer from the appropriation  
14 "Acquisition, construction, and improvements".

15 For an additional amount for "Reserve training", 1957,  
16 \$3,500,000.

### 17 POST OFFICE DEPARTMENT

#### 18 OPERATIONS

19 *For an additional amount for "Operations", \$16,-*  
20 *000,000: Provided, That the Postmaster General, with the*  
21 *approval of the Director of the Bureau of the Budget, may*  
22 *transfer such sums (not to exceed \$2,000,000) as he deems*  
23 *necessary from any appropriation available to the Post*  
24 *Office Department for the remainder of the fiscal year end-*  
25 *ing June 30, 1956, to any other such appropriation or*

1 *appropriations without regard to the limitations imposed by*  
 2 *the first proviso contained in the paragraph under the heading*  
 3 *“Operations” in title II of the Treasury-Post Office Appro-*  
 4 *priation Act, 1956.*

5 THE TAX COURT OF THE UNITED STATES

6 SALARIES AND EXPENSES

7 For an additional amount for “Salaries and expenses”,  
 8 \$87,000.

9 CHAPTER XI

10 DISTRICT OF COLUMBIA

11 OPERATING EXPENSES

12 METROPOLITAN POLICE

13 For an additional amount for “Metropolitan Police”,  
 14 \$240,000 of which \$36,000 shall be payable from the high-  
 15 way fund of the District of Columbia, as defined in the Dis-  
 16 trict of Columbia Appropriation Act, 1956.

17 DEPARTMENT OF PUBLIC HEALTH

18 For an additional amount for “Department of Public  
 19 Health,” ~~\$130,000~~ \$150,000.

20 For an additional amount, fiscal year 1954, for “Freed-  
 21 men’s Hospital”, \$137,489.

22 PUBLIC WELFARE

23 For an additional amount for “Department of Public  
 24 Welfare”, \$250,000.

1 For an additional amount, fiscal year 1955, for "De-  
2 partment of Public Welfare", \$327,000.

3 DEPARTMENT OF HIGHWAYS

4 For an additional amount for "Department of High-  
5 ways", \$393,000.

6 SETTLEMENT OF CLAIMS AND SUITS

7 For the payment of claims in excess of \$250, approved  
8 by the Commissioners in accordance with the provisions of  
9 the Act of February 11, 1929, as amended (45 Stat. 1160;  
10 46 Stat. 500; 65 Stat. 131), \$44,708.

11 JUDGMENTS

12 For the payment of final judgments rendered against the  
13 District of Columbia, as set forth in House Document Num-  
14 bered 330 (Eighty-fourth Congress), \$18,728, together with  
15 such further sums as may be necessary to pay the interest  
16 at not exceeding 4 per centum per annum on such judgments,  
17 as provided by law, from the date the same become due until  
18 the date of payment.

19 AUDITED CLAIMS

20 For an additional amount for the payment of claims, cer-  
21 tified to be due by the accounting officers of the District of  
22 Columbia, under appropriations the balances of which have  
23 been exhausted or credited to the general fund of the District  
24 of Columbia as provided by law (D. C. Code, title 47, sec.  
25 130a), being for the service of the fiscal year 1953 and prior



1 fiscal years, as set forth in House Document Numbered 330  
 2 (Eighty-fourth Congress), \$85,785, together with such  
 3 further sums as may be necessary to pay the interest on  
 4 audited claims for refunds at not exceeding 4 per centum per  
 5 annum as provided by law (Act of July 10, 1952, 66 Stat.  
 6 546, sec. 14d).

## 7 DIVISION OF EXPENSES

8 The sums appropriated in this Act for the District of  
 9 Columbia shall, unless otherwise specifically provided for, be  
 10 paid out of the general fund of the District of Columbia, as  
 11 defined in the District of Columbia Appropriation Acts for  
 12 the fiscal years involved.

## 13 CHAPTER XII

### 14 LEGISLATIVE BRANCH

#### 15 SENATE

16 *For payment to Lois Lilly Kilgore, widow of Harley*  
 17 *M. Kilgore, late a Senator from the State of West Virginia,*  
 18 *\$22,500.*

#### 19 SALARIES, OFFICES AND EMPLOYEES

20 *Office of the Secretary: For an additional amount for*  
 21 *the Office of the Secretary, \$2,535: Provided, That the*  
 22 *basic compensation of the assistant to the majority and the*  
 23 *assistant to the minority may be fixed by the majority and*  
 24 *minority leaders, respectively, at a rate not to exceed \$8,820*  
 25 *per annum; and that effective April 1, 1956, the basic*

1 amount available for clerical assistance and readjustment  
2 of salaries in the disbursing office is increased by \$3,000.

3           CONTINGENT EXPENSES OF THE SENATE

4           *Joint Committee on the Economic Report:* For an addi-  
5 tional amount for salaries and expenses of the Joint Commit-  
6 tee on the Economic Report, \$10,914.

7           *Inquiries and investigations:* For an additional amount  
8 for expenses of inquiries and investigations, \$600,000.

9           *Stationery:* For an additional amount for stationery,  
10 \$2,900, and the amount available for stationery for com-  
11 mittees and officers of the Senate is hereby increased to  
12 \$12,900.

13           ADMINISTRATIVE PROVISIONS

14           The third proviso in the paragraph relating to the au-  
15 thority of Senators and committee chairmen to rearrange the  
16 basic salaries of employees in their respective offices or com-  
17 mittees, which appears in the Legislative Branch Appropria-  
18 tion Act, 1947, as amended (2 U. S. C. 60f), is amended  
19 to read as follows: "Provided further, That Senators and  
20 committee chairmen, on or before the day on which they are  
21 to become effective, shall certify in writing such changes or  
22 rearrangements to the disbursing office of the Senate which  
23 thereafter shall pay such employees in accordance with such  
24 certifications, except that, in the case of any change or re-  
25 arrangement, other than original appointments, to become

1 *effective on or after the first day and prior to the tenth day*  
2 *of any month, such certification may be made at any time not*  
3 *later than the tenth day of such month”.*

#### 4 HOUSE OF REPRESENTATIVES

5 For payment to Ella Stegen Reed, widow of Chauncey  
6 W. Reed, late a Representative from the State of Illinois  
7 \$22,500.

#### 8 CONTINGENT EXPENSES OF THE HOUSE

##### 9 SPECIAL AND SELECT COMMITTEES

10 For an additional amount for “Special and select com-  
11 mittees”, \$300,000.

##### 12 STATIONERY (REVOLVING FUND)

13 For an additional amount for “Stationery (revolving  
14 fund)”, first session, Eighty-fourth Congress, \$100, to re-  
15 main available until expended.

##### 16 ATTENDING PHYSICIAN’S OFFICE

17 For an additional amount for “Attending physician’s  
18 office”, \$1,000.

##### 19 FOLDING DOCUMENTS

20 For an additional amount for “Folding documents”,  
21 \$15,000.

##### 22 CAPITOL POLICE

##### 23 GENERAL EXPENSES

24 For an additional amount for “General expenses”,  
25 \$1,700.



## CHAPTER XIII

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND  
JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in *Senate Document Numbered 110* and *House Document Numbered 355*, Eighty-fourth Congress, ~~\$1,614,562~~ \$2,367,341, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

## CHAPTER XIV

## INCREASED PAY COSTS

For additional amounts for appropriations for the fiscal year 1956, for increased pay costs authorized by the Act of March 2, 1955 (Public Law 9), the Act of June 10, 1955 (Public Law 68), the Act of June 28, 1955 (Public Law 94), the Act of July 11, 1955 (Public Law 139), the Act of August 5, 1955 (Public Law 242), the Act of August 5, 1955 (Public Law 243), and the Act of August 5, 1955 (Public Law 244), as follows:

## LEGISLATIVE BRANCH

*Senate:*

*"Salaries, officers and employees", \$3,763,750;*

*Contingent expenses of the Senate:*

*"Joint Committee on the Economic Report",  
\$10,985;*

*"Joint Committee on Atomic Energy",  
\$14,715;*

*"Joint Committee on Printing", for compiling,  
preparing, and indexing material for the biographi-  
cal directory, \$140;*

*"Vice President's automobile", \$325;*

*"Automobile for the President pro tempore",  
\$325;*

1           *"Automobiles for majority and minority*  
2           *leaders"*, \$650;

3           *"Reporting Senate proceedings"*, \$10,925;

4           *"Folding documents"*, \$2,000;

5           *"Inquiries and investigations"*, including  
6           \$7,500 authorized by Public Law 295, Eighty-  
7           fourth Congress, approved August 9, 1955,  
8           \$67,880;

9           *"Miscellaneous items"*, \$15,130;

10       House of Representatives:

11           *"Salaries, officers and employees"*, \$681,345;

12           *"Members' clerk hire"*, \$3,100,000;

13           Contingent expenses of the House:

14           *"Furniture"*, \$9,300;

15           *"Special and select committees"*, \$150,000;

16           *"Joint Committee on Internal Revenue Taxa-*  
17           *tion"*, \$20,000;

18           *"Office of the Coordinator of Information"*,  
19           \$4,160;

20           *"Attending physician's office"*, \$2,160;

21           *"Folding documents"*, \$40,000;

22           *"Revision of laws"*, \$2,800;

23           *"Speaker's automobile"*, \$700;

24           *"Automobile for the Majority Leader"*, \$665;

25           *"Automobile for the Minority Leader"*, \$665;



1 Capitol police: "Capitol Police Board", \$6,810;

2 "Office of the Legislative Counsel", \$38,000 of which  
3 \$12,000 shall be disbursed by the Secretary of the Senate  
4 and \$26,000 shall be disbursed by the Clerk of the House  
5 of Representatives;

6 "Education of Senate and House pages", \$1,450;

7 Architect of the Capitol: Office of the Architect of the  
8 Capitol: "Salaries", \$6,000;

9 Botanic Garden: "Salaries and expenses", \$2,000;

10 Library of Congress:

11 "Salaries and expenses", \$283,064;

12 Copyright Office: "Salaries and expenses", \$80,415;

13 Legislative reference service: "Salaries and ex-  
14 penses", \$70,055;

15 Distribution of catalog cards: "Salaries and ex-  
16 penses", \$52,359;

17 "Books for the blind", \$6,678;

18 Government Printing Office: Office of Superintendent of  
19 Documents: "Salaries and expenses", \$87,270;

## 20 THE JUDICIARY

21 Supreme Court of the United States: "Salaries", \$9,000;

22 Customs Court: "Salaries and expenses", \$12,500;

23 Courts of appeals, district courts, and other judicial  
24 services:

1           “Salaries of supporting personnel”, \$825,000;

2           “Administrative Office of the United States Courts”,

3       \$36,500;

4           EXECUTIVE OFFICE OF THE PRESIDENT

5           “Executive Mansion and grounds”, \$17,575;

6       Bureau of the Budget: “Salaries and expenses”,

7       \$210,000;

8       Council of Economic Advisers: “Salaries and expenses”,

9       \$4,000;

10       National Security Council: “Salaries and expenses”,

11       \$4,000;

12       Office of Defense Mobilization: “Salaries and expenses”,

13       \$50,000;

14       President’s Commission on Veterans’ Pensions: “Sal-

15       aries and expenses”, \$12,000;

16           FUNDS APPROPRIATED TO THE PRESIDENT

17       “Refugee relief” (decrease the amount of the limitation

18       under this head in the Departments of State and Justice, the

19       Judiciary, and Related Agencies Appropriation Act, 1956,

20       on capital for making loans from “\$2,000,000” to “\$1,-

21       685,655”) ;

22           INDEPENDENT OFFICES

23       American Battle Monuments Commission: “Salaries and

24       expenses”, \$9,000;

1 Civil Service Commission: "Salaries and expenses",  
2 \$1,065,000;

3 Federal Civil Defense Administration:

4 "Operations", \$362,000, to be derived by transfer  
5 from the appropriation "Emergency supplies and equip-  
6 ment";

7 "Salaries and expenses, civil defense functions of  
8 Federal agencies", \$40,000, to be derived by transfer  
9 from the appropriation "Emergency supplies and equip-  
10 ment";

11 Federal Communications Commission: "Salaries and ex-  
12 penses", \$453,000;

13 Federal Mediation and Conciliation Service: "Salaries  
14 and expenses", \$160,000;

15 Federal Power Commission: "Salaries and expenses",  
16 \$250,000;

17 Federal Trade Commission: "Salaries and expenses",  
18 \$286,000;

19 General Accounting Office: "Salaries and expenses",  
20 \$1,500,000;

21 Indian Claims Commission: "Salaries and expenses",  
22 \$1,700;

23 Interstate Commerce Commission:

24 "General expenses", \$670,000;



1           “Railroad safety”, \$60,500;

2           “Locomotive inspection”, \$44,500;

3           National Capital Housing Authority: “Maintenance and  
4 operation of properties”, \$1,400;

5           National Capital Planning Commission: “Salaries and  
6 expenses”, \$6,700;

7           *National Mediation Board: National Railroad Adjust-*  
8 *ment Board: “Salaries and expenses” (decrease of \$18,000*  
9 *in the limitation upon the amount available for compensation*  
10 *and expenses of referees);*

11          Securities and Exchange Commission: “Salaries and  
12 expenses”, \$323,000;

13          Selective Service System: “Salaries and expenses” (de-  
14 crease the amount of the limitation under this head in the  
15 Independent Offices Appropriation Act, 1956, on the amount  
16 available for registration, classification, and induction activi-  
17 ties of local boards from “\$20,963,700” to “\$20,636,300”);

18          Small Business Administration: “Salaries and expenses”,  
19 \$128,000;

20          Smithsonian Institution:

21           “Salaries and expenses”, \$166,000;

22           “Salaries and expenses, National Gallery of Art”,  
23 \$81,000;

24          Tariff Commission: “Salaries and expenses”, \$83,000;

1 United States Information Agency: "Salaries and ex-  
2 penses", \$2,000,000;

3 Veterans Administration:

4 "General operating expenses", \$9,500,000;

5 "Medical administration and miscellaneous operating  
6 expenses", \$755,600;

7 "Inpatient care", \$30,790,600;

8 "Maintenance and operation of supply depots",  
9 \$50,000;

10 GENERAL SERVICES ADMINISTRATION

11 "Emergency operating expenses", \$265,000;

12 "Operating expenses, Federal Supply Service",  
13 \$190,000;

14 "Expenses, general supply fund", \$625,000;

15 "Operating expenses, National Archives and Records  
16 Service", \$325,000;

17 "Administrative operations", \$285,000;

18 "Abaca fiber program" (increase of \$2,000 in the limi-  
19 tation upon the amount which may be used for administra-  
20 tive expenses) ;

21 DEPARTMENT OF AGRICULTURE

22 Agricultural Research Service:

23 "Research on strategic and critical agricultural  
24 materials", \$14,000;

1           “Foot-and-mouth and other contagious diseases of  
2           animals and poultry”, \$45,000;

3           Extension Service: Federal Extension Service: “Ad-  
4           ministration and coordination”, \$60,000, to be derived by  
5           transfer from the appropriation “Payments to States, Hawaii,  
6           Alaska, and Puerto Rico”;

7           “Farmer Cooperative Service”, \$19,000;

8           Forest Service: “State and private forestry coopera-  
9           tion”, \$45,000;

10          Soil Conservation Service: “Conservation operations”,  
11          \$3,650,000;

12          Agricultural Marketing Service: “Marketing research  
13          and service”, \$1,300,000, of which \$925,000 shall be  
14          derived by transfer from the appropriation “Payments to  
15          States, Hawaii, Alaska, and Puerto Rico”, Extension  
16          Service;

17          “Foreign Agricultural Service”, \$80,000;

18          “Commodity Exchange Authority”, \$44,000;

19          Commodity Stabilization Service: “Agricultural adjust-  
20          ment programs”, \$150,000;

21          “Federal Crop Insurance Corporation”, \$214,200;

22          Rural Electrification Administration: “Salaries and ex-  
23          penses”, \$460,000;

24          “Office of the General Counsel”, \$116,000;

25          “Office of the Secretary”, \$138,000;



1 "Office of Information", \$43,500;

2 "Library", \$40,000;

3 DEPARTMENT OF COMMERCE

4 Office of the Secretary: "Salaries and expenses", \$140,-  
5 500;

6 Bureau of the Census: "Censuses of business, manu-  
7 factures, and mineral industries", \$304,000;

8 Civil Aeronautics Administration:

9 "Operation and regulation", \$5,890,000;

10 "Maintenance and operation, Washington National  
11 Airport", \$38,000;

12 "Maintenance and operation of public airports, Ter-  
13 ritory of Alaska", \$17,500;

14 Civil Aeronautics Board: "Salaries and expenses",  
15 \$265,000;

16 Coast and Geodetic Survey: "Salaries and expenses",  
17 \$340,000;

18 Business and Defense Services Administration: "Salaries  
19 and expenses", \$402,000;

20 Bureau of Foreign Commerce:

21 "Salaries and expenses", \$130,500;

22 "Export control", \$186,000;

23 Office of Business Economics: "Salaries and expenses",  
24 \$60,000;

1 Maritime activities: "Salaries and expenses", \$525,500;  
 2 and increase the limitations thereunder as follows:

3 Administrative expenses, \$410,000;

4 Maintenance of shipyard facilities and operation of  
 5 warehouses, \$37,200;

6 Reserve fleet expenses, \$78,300;

7 Patent Office: "Salaries and expenses", \$500,000;

8 National Bureau of Standards: "Expenses", \$413,500;

9 Weather Bureau: "Salaries and expenses", \$1,650,000;

10 DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

11 Office of the Secretary of Defense: "Salaries and ex-  
 12 penses", \$769,000,—to be derived by transfer from the appro-  
 13 priation "Military personnel, Marine Corps";

14 "Office of Public Affairs", \$27,500,—to be derived by  
 15 transfer from the appropriation "Military personnel, Marine  
 16 Corps";

17 Interservice activities: "Court of Military Appeals",  
 18 \$41,400,—to be derived by transfer from the appropriation  
 19 "Military personnel, Marine Corps";

20 Department of the Navy:

21 "Service-wide supply and finance", \$7,400,000,—to  
 22 be derived by transfer from the appropriation "Military  
 23 personnel, Marine Corps";

24 "Service-wide operations", \$2,180,000,—to be de-

1 rived by transfer from the appropriation "Military  
2 personnel, Marine Corps";

### 3 DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

4 Department of the Army:

5 Rivers and harbors and flood control:

6 "General investigations", \$100,000;

7 "General expenses", \$550,000;

8 "United States Soldiers' Home", \$137,000, to be  
9 paid from the Soldiers' Home permanent fund;

10 Canal Zone Government: "Operating expenses",  
11 \$448,000;

12 "Panama Canal Company" (increase of \$49,000  
13 in the limitation upon the amount which may be used  
14 for administrative expenses);

### 15 DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

16 Food and Drug Administration: "Salaries and ex-  
17 penses", \$360,000;

18 Freedmen's Hospital: "Salaries and expenses", \$100,-  
19 000;

20 Gallaudet College: "Salaries and expenses", \$9,000;

21 Howard University: "Salaries and expenses", \$215,-  
22 000;

23 Office of Education:

24 "Salaries and expenses", \$190,000, to be derived



1 by transfer from the appropriation "Promotion and  
2 further development of vocational education";

3 "Salaries and expenses, White House Conference on  
4 Education", \$8,000;

5 Office of Vocational Rehabilitation: "Salaries and ex-  
6 penses", \$58,000;

7 Public Health Service:

8 "Assistance to States, general", \$161,000;

9 "Venereal diseases", \$116,000;

10 "Tuberculosis", \$62,000;

11 "Communicable diseases", \$146,000;

12 "Sanitary engineering activities", \$120,000;

13 "Disease and sanitary investigations and control,  
14 Territory of Alaska", \$14,000;

15 "Salaries and expenses, hospital construction serv-  
16 ices", \$40,000;

17 "Hospitals and medical care", \$1,070,000;

18 "Foreign quarantine service", \$150,000;

19 "Indian health activities", \$1,150,000;

20 "National Institutes of Health, operating expenses",  
21 \$30,000;

22 "National Cancer Institute", \$150,000;

23 "National Heart Institute", \$120,000, of which  
24 \$90,000 shall be derived by transfer from the appro-  
25 priation "Construction of housing facilities for animals";

1           “Dental health activities”, \$40,000;

2           “Arthritis and metabolic disease activities”,  
3       \$100,000;

4           “Microbiology activities”, \$195,000;

5           “Salaries and expenses”, \$154,000;

6       Saint Elizabeths Hospital: “Salaries and expenses”,  
7       \$117,000;

8       Social Security Administration:

9           “Salaries and expenses, Bureau of Old-Age and  
10       Survivors Insurance”, \$5,229,000, to be derived from  
11       the Federal old-age and survivors insurance trust fund;

12           “Salaries and expenses, Bureau of Public Assist-  
13       ance”, \$95,000;

14           “Salaries and expenses, Children’s Bureau”,  
15       \$100,000, to be derived by transfer from the appro-  
16       priation “Promotion and further development of voca-  
17       tional education”;

18           “Salaries and expenses, Office of the Commis-  
19       sioner”, \$11,400, together with not to exceed \$8,600 to  
20       be transferred from the Federal old-age and survivors  
21       insurance trust fund;

22       Office of the Secretary:

23           “Salaries and expenses”, \$83,500, together with not  
24       to exceed \$11,500 to be transferred from the Federal  
25       old-age and survivors insurance trust fund;

1           “Salaries and expenses, Office of Field Administra-  
 2           tion”, \$108,400, together with not to exceed \$27,000  
 3           to be transferred from Federal old-age and survivors in-  
 4           surance trust fund;

5           “Salaries and expenses, Office of the General Coun-  
 6           sel”, \$26,400, together with not to exceed \$1,500 to  
 7           be transferred from the appropriation “Salaries and ex-  
 8           penses, certification, inspection, and other services”, and  
 9           not to exceed \$25,900, to be derived from the Federal  
 10          old-age and survivors insurance trust fund;

11          “Surplus property utilization”, \$25,000;

## 12                   DEPARTMENT OF THE INTERIOR

13          Office of the Secretary:

14           “Oil and Gas Division”, \$15,600;

15           “Office of the Solicitor”, \$165,000;

16          Commission of Fine Arts: “Salaries and expenses”,  
 17          \$1,000;

18          Bonneville Power Administration: “Operation and  
 19          maintenance”, ~~\$162,500~~ \$187,500;

20          Bureau of Indian Affairs:

21           “Resources management”, \$450,000;

22           “General administrative expenses”, \$150,000;

23          Bureau of Reclamation:

24           “Operation and maintenance” (decrease the amount  
 25          under this head in the Public Works Appropriation Act,



1 1956, which is to be derived from the reclamation fund  
 2 from "\$20,223,638" to "\$20,171,138", and increase  
 3 the amount under said head which is to be derived from  
 4 the Colorado River dam fund from "\$1,697,000" to  
 5 "\$1,749,500");

6 "General administrative expenses", \$150,000  
 7 \$170,000;

8 Bureau of Mines:

9 "Conservation and development of mineral resources,  
 10 \$650,000;

11 "Health and safety", \$305,000;

12 "General administrative expenses", \$60,000;

13 National Park Service:

14 "Management and protection", \$618,000;

15 "Maintenance and rehabilitation of physical facili-  
 16 ties", \$144,000;

17 "General administrative expenses", \$75,000;

18 Fish and Wildlife Service:

19 "Management of resources", \$280,000;

20 "Investigations of resources", \$185,000;

21 "General administrative expenses", \$50,000;

22 Administration, Department of the Interior: "Salaries  
 23 and expenses", \$100,000;

24 DEPARTMENT OF JUSTICE

25 Legal activities and general administration:

1           “Salaries and expenses, general administration”,  
2       \$173,000;

3           “Salaries and expenses, United States attorneys and  
4       marshals”, \$559,000;

5       Federal Bureau of Investigation: “Salaries and ex-  
6       penses”, \$5,826,000;

7       Immigration and Naturalization Service: “Salaries and  
8       expenses”, \$1,995,000;

9       Federal Prison System:

10           “Salaries and expenses, Bureau of Prisons”,  
11       \$1,335,000, of which \$275,000 shall be derived by  
12       transfer from the appropriation “Support of United  
13       States prisoners”;

14           “Federal Prison Industries, Inc.” (increase of  
15       \$15,000 in the limitation upon the amount which may be  
16       used for expenses of vocational training of prisoners);

17                           DEPARTMENT OF LABOR

18       Office of the Secretary: “Salaries and expenses”, \$90,-  
19       850, to be derived by transfer from the appropriation “Un-  
20       employment compensation for veterans”;

21       Office of the Solicitor: “Salaries and expenses”, \$79,500,  
22       to be derived by transfer from the appropriation “Unemploy-  
23       ment compensation for veterans”;

24       Bureau of Labor Standards: “Salaries and expenses”,

1 \$49,000, to be derived by transfer from the appropriation  
2 "Unemployment compensation for veterans";

3 Bureau of Veterans' Reemployment Rights: "Salaries  
4 and expenses", \$22,500, to be derived by transfer from the  
5 appropriation "Unemployment compensation for veterans";

6 Bureau of Apprenticeship: "Salaries and expenses",  
7 \$200,800, to be derived by transfer from the appropriation  
8 "Unemployment compensation for veterans";

9 Bureau of Employment Security:  
10 "Salaries and expenses", \$329,100, to be derived  
11 by transfer from the appropriation "Unemployment com-  
12 pensation for veterans";

13 "Salaries and expenses, Mexican farm labor pro-  
14 gram", \$107,000, to be derived by transfer from the  
15 appropriation "Unemployment compensation for vet-  
16 erans";

17 Bureau of Employees' Compensation: "Salaries and ex-  
18 penses", \$143,000, to be derived by transfer from the  
19 appropriation "Unemployment compensation for veterans";

20 Bureau of Labor Statistics: "Salaries and expenses",  
21 \$342,000, to be derived by transfer from the appropriation  
22 "Unemployment compensation for veterans";

23 Women's Bureau: "Salaries and expenses", \$23,000,  
24 to be derived by transfer from the appropriation "Unem-  
25 ployment compensation for veterans";



1 Wage and Hour Division: "Salaries and expenses",  
 2 \$481,000, to be derived by transfer from the appropriation  
 3 "Unemployment compensation for veterans";

#### 4 POST OFFICE DEPARTMENT

5 (Out of postal fund)

6 "Administration", \$486,600;  
 7 "Operation", \$135,363,000;  
 8 "Transportation", \$11,100,000;  
 9 "Finance", \$335,400;  
 10 "Facilities", \$2,715,000;

#### 11 DEPARTMENT OF STATE

12 "Salaries and expenses", \$3,080,000, of which \$263,000  
 13 shall be derived by transfer from the appropriation "Educa-  
 14 tional aid for China and Korea, State";

15 "Missions to international organizations", \$43,000, to  
 16 be derived by transfer from the appropriation "Educational  
 17 aid for China and Korea, State";

18 International Boundary and Water Commission, United  
 19 States and Mexico:

20 "Salaries and expenses", \$22,000, to be derived by  
 21 transfer from the appropriation "Educational aid for  
 22 China and Korea, State";

23 "Operation and maintenance", \$39,000, to be de-  
 24 rived by transfer from the appropriation "Educational  
 25 aid for China and Korea, State";

1 "American sections, international commissions", \$13,-  
2 000, to be derived by transfer from the appropriation "Edu-  
3 cational aid for China and Korea, State";

4 "International educational exchange activities", \$170,-  
5 000, to be derived by transfer from the appropriation "Edu-  
6 cational aid for China and Korea, State";

7 TREASURY DEPARTMENT

8 Office of the Secretary:

9 "Salaries and expenses", \$170,000;

10 "Liquidation of Reconstruction Finance Corpora-  
11 tion" (increase of \$85,000 in the amount which may  
12 be used for administrative expenses);

13 Bureau of Accounts: "Salaries and expenses, Division  
14 of Disbursement", \$280,000;

15 Bureau of the Public Debt: "Administering the public  
16 debt", \$752,000;

17 Office of the Treasurer: "Salaries and expenses", \$175,-  
18 000;

19 Bureau of Customs: "Salaries and expenses", \$2,855,-  
20 000;

21 Internal Revenue Service: "Salaries and expenses",  
22 \$17,900,000;

23 Bureau of Narcotics: "Salaries and expenses", \$155,-  
24 000;

1 United States Secret Service:

2 "Salaries and expenses", \$179,000;

3 "Salaries and expenses, White House Police", \$57,-  
4 000;

5 "Salaries and expenses, guard force", \$17,000;

6 Coast Guard: "Operating expenses", \$389,000, to be  
7 derived by transfer from the appropriation "Retired pay";

8 DISTRICT OF COLUMBIA

9 (Out of District of Columbia funds)

10 Operating expenses:

11 "Executive Office", \$17,500;

12 "Department of General Administration", \$88,-  
13 400;

14 "Office of Corporation Counsel", \$24,400;

15 "Compensation and retirement fund expenses",  
16 \$440,000;

17 "Regulatory agencies", \$55,700;

18 "Department of Occupations and Professions",  
19 \$13,600;

20 "Public schools", \$3,172,000;

21 "Public Library", \$98,500;

22 "Recreation Department", \$79,000;

23 "Metropolitan Police", \$840,300, of which amount  
24 \$118,100 shall be payable from the highway fund;

25 "Fire Department", \$330,000;



- 1           “Office of Civil Defense”, \$3,400;
- 2           “Courts”, \$445,000;
- 3           “Department of Public Health”, \$1,263,800;
- 4           “Department of Corrections”, \$145,000;
- 5           “Department of Public Welfare”, \$297,800;
- 6           “Department of Buildings and Grounds”, \$77,300;
- 7           “Office of the Surveyor”, \$4,400;
- 8           “Department of Licenses and Inspections”, \$54,000;
- 9           “Department of Highways”, \$70,300, of which
- 10       amount \$50,522 shall be payable from the highway
- 11       fund;
- 12           “Department of Vehicles and Traffic”, \$53,500
- 13       (payable from the highway fund) ;
- 14           “Department of Sanitary Engineering”, \$124,500,
- 15       of which amount \$36,941 shall be payable from the
- 16       water fund and \$37,487 shall be payable from the sani-
- 17       tary sewage works fund;
- 18           “Washington Aqueduct”, \$43,500 (payable from
- 19       the water fund) ;
- 20           “National Guard”, \$5,800;
- 21           “National Capital Parks”, \$95,000;
- 22           “National Zoological Park”, \$21,600.

#### GENERAL PROVISION

24       SEC. 1402. Except where specifically increased or de-

25       creased elsewhere in this Act, the restrictions contained with-

1 in appropriations, or provisions affecting appropriations or  
2 other funds, available during the fiscal year 1956, limiting  
3 the amounts which may be expended for personal services,  
4 or for purposes involving personal services, or amounts which  
5 may be transferred between appropriations or authorizations  
6 available for or involving such services, are hereby increased  
7 to the extent necessary to meet increased pay costs author-  
8 ized by the Act of June 10, 1955 (Public Law 68), the Act  
9 of June 28, 1955 (Public Law 94), the Act of August 5,  
10 1955 (Public Law 242), the Act of August 5, 1955 (Pub-  
11 lic Law 243), and the Act of August 5, 1955 (Public Law  
12 244).

Passed the House of Representatives March 21, 1956.

Attest:

RALPH R. ROBERTS,

*Clerk.*





[Report No. 1725]

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## AN ACT

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Making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

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MARCH 21 (legislative day, MARCH 19), 1956

Read twice and referred to the Committee on  
Appropriations

APRIL 11 (legislative day, APRIL 9), 1956

Reported with amendments



112-233 H. R. 10004

From the

# AN ACT

to amend the Internal Revenue Code of 1986 to provide for the treatment of certain transfers of property to a trust for the benefit of a decedent's estate.

Enacted at the City of Washington on this 11th day of July, 2004.

WILLIAM M. GIBBS



# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued April 13, 1956

For actions of April 12, 1956

84th-2nd, No. 60

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

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Foreign affairs.....4,11	Natural resources.....20	Watersheds.....6
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HIGHLIGHTS: Senate passed second supplemental appropriation bill for 1956. House passed military construction bill. Sen. Johnson suggested President approve farm bill. Senate made bill to increase U. S. contributions to FAO its unfinished business. President signed Colorado River storage bill. Senate committee ordered reported Johnston retirement bill.

## HOUSE

1. MILITARY CONSTRUCTION; SURPLUS COMMODITIES. Passed with amendments H. R. 9893, to authorize certain construction at military installations. The bill authorizes the Secretary of Defense to use for family housing construction in foreign countries, foreign currencies not to exceed \$250 million acquired through provisions of the Agricultural Trade Development and Assistance Act or other commodity transactions of the CCC. p. 5564
2. RECLAMATION. The Interior and Insular Affairs Committee reported without amendment H. R. 7850, to authorize the construction, operation, and maintenance of the Little Wood River reclamation project, Ida. (H. Rept. 1994). p. 5611  
The Irrigation and Reclamation Subcommittee of the Interior and Insular Affairs Committee ordered reported with amendment H. R. 6028, to authorize the construction, operation, and maintenance of the Washoe reclamation project, Nev. and Calif. p. D334

3. FOREIGN TRADE. The Banking and Currency Committee reported with amendment H. R. 9052, to extend the Export Control Act for 3 years (H. Rept. 1998). p. 5612
4. FOREIGN AFFAIRS. Adopted a resolution commemorating Pan-American Day, and several Representatives spoke on the importance of good relations with Latin America and the value of technical assistance and trade programs in effecting good relations. p. 5558
5. FOREIGN AID. Received from the Comptroller General a report on an investigation of the U. S. assistance program to Egypt conducted by the ICA, State Department, and other agencies; to the Government Operations Committee. p. 5611
6. LEGISLATIVE PROGRAM. Majority Leader McCormack announced the following schedule for next week: Mon., Consent Calendar; Tues., and balance of the week, highway construction and watershed bills. pp. 5595, 5605
7. ADJOURNED until Mon., Apr. 16. pp. 5596, 5611

SENATE

8. APPROPRIATIONS. Passed with amendments H. R. 10004, the second supplemental appropriation bill for 1956. Agreed to an amendment by Sen. Douglas to provide \$10 million additional for the school-lunch program. As first submitted, the amendment provided \$20 million, but Sen. Douglas changed the figure to \$10 million at the request of Sen. Hayden. Senate conferees were appointed. p. 5543
9. FARM PROGRAM. Sen. Johnson, Tex., discussed the possible ill effects of a veto of the farm bill, and suggested that the President approve it. p. 5539
10. PERSONNEL; RETIREMENT. The Post Office and Civil Service Committee ordered reported with amendments S. 2875, to provide increased retirement benefits for retiring Federal employees. p. D333
11. FOREIGN AFFAIRS. Passed as reported S. 3481, to increase the salaries and provide other benefits for employees in the Foreign Service. p. 5531
12. FAO. S. J. Res. 97, which provides for increasing the ceiling on the U. S. annual contribution to FAO from \$2 million to \$3 million, was made the unfinished business to be considered on Mon., Apr. 16. p. 5550
13. ANIMAL RESEARCH. Sen. Thye inserted a statement disclosing some of the research accomplishments of the Department's animal disease laboratory on Plum Island, N. Y. p. 5554
14. DISASTER INSURANCE. The Banking and Currency Committee ordered reported a bill to provide a Federal flood-insurance program. The "Daily Digest" states: "As approved, the bill would provide (1) a maximum of \$3 billion total face amount of policies at any one time, but the President would be authorized to increase this amount to \$5 billion, (2) a limitation of insurance of \$250,000 per person, and a \$10,000 Government policy limit on each housing unit, including personal property, and (3) that this program be administered by a new

84TH CONGRESS  
2D SESSION

# H. R. 10004

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IN THE HOUSE OF REPRESENTATIVES

APRIL 12, 1956

Ordered to be printed with the amendments of the Senate numbered

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## AN ACT

Making supplemental appropriations for the fiscal year ending  
June 30, 1956, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the following sums are appropriated, out of any money  
4       in the Treasury not otherwise appropriated, to supply sup-  
5       plemental appropriations (this Act may be cited as the  
6       “Second Supplemental Appropriation Act, 1956”) for the  
7       fiscal year ending June 30, 1956, and for other purposes,  
8       namely:



## CHAPTER I

## DEPARTMENT OF AGRICULTURE

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:

"Research", ~~(1)\$1,217,530~~ \$2,217,530;

"Plant and animal disease and pest control",  
~~(2)\$1,527,780~~ \$2,252,780, of which ~~(3)\$500,000~~  
\$725,000 shall be apportioned for use pursuant to section  
3679 of the Revised Statutes, as amended, for the con-  
trol of outbreaks of insects and plant diseases under the  
joint resolution approved May 9, 1938 (7 U. S. C. 148-  
148e), and the Act of August 13, 1954 (7 U. S. C.  
148), to the extent necessary to meet emergency con-  
ditions; and

"Meat inspection", \$1,048,690.

## AGRICULTURAL CONSERVATION PROGRAM SERVICE

The unobligated balance of the amount made available  
under this head in the Supplemental Appropriation Act,  
1956, shall, subject to the same conditions, remain available  
until December 31, 1956, for the same purposes, for emer-  
gency measures to restore farm lands damaged by hurricanes  
and excessive floods, and for reimbursement to the appro-

1 priation to the President for "Disaster relief", for allocations  
2 to the Secretary of Agriculture for such purposes.

3 **(4) AGRICULTURAL MARKETING SERVICES**

4 **SCHOOL LUNCH PROGRAM**

5 *For an additional amount for necessary expenses to*  
6 *carry out the provisions of the National School Lunch Act,*  
7 *\$10,000,000.*

8 **FARMERS' HOME ADMINISTRATION**

9 **LOAN AUTHORIZATIONS**

10 For loans under title V of the Housing Act of 1949, as  
11 amended, \$5,000,000, to remain available until expended:  
12 *Provided, That not to exceed the foregoing amount shall be*  
13 *borrowed from the Secretary of the Treasury in the manner*  
14 *authorized under this head in the Department of Agriculture*  
15 *Appropriation Act, 1952.*

16 **SALARIES AND EXPENSES**

17 For an additional amount for "Salaries and expenses",  
18 **(5)** ~~\$1,350,000~~ \$1,620,000.

19 **COMMODITY CREDIT CORPORATION**

20 The limitation under this head in the Department of  
21 Agriculture and Farm Credit Administration Appropriation  
22 Act, 1956, on the amount available for administrative ex-  
23 penses of the Corporation, is increased from "\$26,000,000"  
24 to **(6)** ~~"\$30,500,000"~~ \$30,964,000".

1

## CHAPTER II

2

## DEPARTMENT OF COMMERCE

3

## BUREAU OF THE CENSUS

4

## SALARIES AND EXPENSES

5

For an additional amount for "Salaries and expenses",

6

(7)\$~~503,000~~ \$528,000, of which (8)\$~~75,000~~ \$100,000

7

shall be derived by transfer from the appropriation granted

8

in the Department of Commerce and Related Agencies

9

Appropriation Act, 1956, for "Census of agriculture".

10

## MARITIME ACTIVITIES

11

## (9)SHIP CONSTRUCTION

12

The limitation under this head in the Department of

13

Commerce and Related Agencies Appropriation Act, 1956,

14

on the number of cargo ships for replacement, for which

15

payment may be made for construction differential subsidy

16

and national-defense features, is increased from five to twenty.

17

## (10)OPERATING DIFFERENTIAL SUBSIDIES

18

For an additional amount for "Operating differential

19

subsidies", \$30,000,000, to remain available until expended.

20

## (11)WAR SHIPPING ADMINISTRATION LIQUIDATION

21

The limitation under this head in the Department of

22

Commerce and Related Agencies Appropriation Act, 1956,

23

on the amount available from prior appropriations for the

24

liquidation of certain obligations approved by the General



1 *Accounting Office and for the payment of obligations in-*  
2 *curred against the working fund titled "Working fund,*  
3 *Commerce, War Shipping Administration functions, Decem-*  
4 *ber 31, 1946", is increased from " \$5,900,000" to "\$24,000,-*  
5 *000". Provided that the amount of such increase shall be*  
6 *available only for Court of Claims and district court*  
7 *judgments and payments to disabled seamen authorized by*  
8 *Fifty-eighth Statutes at Large, page 758.*

9 BUREAU OF PUBLIC ROADS

10 FEDERAL-AID HIGHWAYS

11 For an additional amount for "Federal-aid highways",  
12 to remain available until expended, \$100,000,000, which  
13 sum is a part of the amount authorized to be appropriated  
14 for the fiscal year 1955.

15 FOREST HIGHWAYS

16 For an additional amount for "Forest highways", to  
17 remain available until expended, \$3,000,000, which sum is  
18 a part of the amount authorized to be appropriated for the  
19 fiscal year 1956.

20 NATIONAL BUREAU OF STANDARDS

21 PLANT AND EQUIPMENT

22 Not to exceed \$15,000 of the appropriation granted  
23 under this head in the Department of Commerce and Related  
24 Agencies Appropriation Act, 1956, shall be available for

1 necessary expenses for the acquisition of land necessary for  
 2 the operation of a radio propagation field station in the  
 3 Territory of Hawaii.

4 (12) INDEPENDENT AGENCIES

5 SMALL BUSINESS ADMINISTRATION

6 REVOLVING FUND

7 *For additional capital for the revolving fund authorized*  
 8 *by the Small Business Act of 1953, as amended, to be avail-*  
 9 *able without fiscal year limitation, \$20,000,000.*

10 CHAPTER III

11 DEPARTMENT OF DEFENSE—MILITARY

12 FUNCTIONS

13 DEPARTMENT OF THE NAVY

14 AUDITED CLAIMS

15 Applicable current appropriations of the Department  
 16 of the Navy shall be available for the payment of claims  
 17 certified by the Comptroller General to be otherwise due,  
 18 in the amounts stated below, from the following appro-  
 19 priations:

20 “Pay, subsistence, and transportation, Navy”, fiscal  
 21 year 1943, \$7,070.23;

22 “Transportation of things, Navy”, fiscal year 1948,  
 23 \$1,108.12;

24 “Maintenance, Bureau of Supplies and Accounts,  
 25 Navy”, fiscal year 1943, \$1,316.35; and

“Maintenance, Bureau of Ships, Navy”, fiscal year  
1946, \$91,292.69.

## CHAPTER IV

### GENERAL GOVERNMENT MATTERS

#### AMERICAN BATTLE MONUMENTS COMMISSION

##### DEDICATION OF WORLD WAR II MEMORIALS

For expenses necessary for appropriate dedications of  
World War II memorials, erected under the authority of  
the Act of June 26, 1946 (36 U. S. C. 123), to be avail-  
able for such purposes as the Commission may deem neces-  
sary and proper and without regard to the provisions of  
other laws or regulations relating to the expenditure of  
public funds (except that this exemption shall not be con-  
strued as waiving the requirement for the submission of  
accounts and vouchers to the General Accounting Office  
for audit), \$140,000, to remain available until June 30,  
1957: *Provided*, That, when in the discretion of any other  
government agency it would be in the public interest, per-  
sonnel, services, supplies, equipment, and facilities of such  
agency may be furnished without reimbursement to the  
Commission for the purposes of this appropriation.

#### COMMISSION ON GOVERNMENT SECURITY

##### SALARIES AND EXPENSES

For an additional amount for “Salaries and expenses”



1 \$200,000, and said appropriation shall remain available until  
2 March 31, 1957.

3       (13)CORREGIDOR BATAAN MEMORIAL COMMISSION  
4                               SALARIES AND EXPENSES

5       For expenses necessary to carry out the provisions of  
6 the Act of August 5, 1953, as amended (67 Stat. 366 and  
7 69 Stat. 589), \$56,000, to remain available through June  
8 30, 1957.

9                               CHAPTER V

10                           INDEPENDENT OFFICES

11                           CIVIL SERVICE COMMISSION

12                           SALARIES AND EXPENSES

13       The limitation under this head in the Independent Offices  
14 Appropriation Act, 1956, on the amount available for ex-  
15 penses of travel, is increased from “\$443,000” to “\$488,000”,  
16 and the limitation under said head on the amount available  
17 for performing the duties imposed upon the Commission by  
18 the Act of July 19, 1940 (54 Stat. 767), is increased from  
19 “\$65,000” to “\$70,000”.

20 INVESTIGATIONS OF UNITED STATES CITIZENS FOR EMPLOY-  
21                           MENT BY INTERNATIONAL ORGANIZATIONS

22       For an additional amount for “Investigations of United  
23 States citizens for employment by international organiza-  
24 tions”, \$107,100.

1 ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES  
2 AND LIGHTHOUSE SERVICE WIDOWS

3 For an additional amount for "Annuities, Panama Canal  
4 construction employees and Lighthouse Service widows",  
5 \$70,000.

6 ADMINISTRATIVE EXPENSES, EMPLOYEES' LIFE INSURANCE  
7 FUND

8 The limitation under this head in the Independent  
9 Offices Appropriation Act, 1956, on the amount made avail-  
10 able from the "Employees' life insurance fund" for reim-  
11 bursement to the Civil Service Commission for administrative  
12 expenses incurred in the administration of the Federal  
13 Employees' Group Life Insurance Act, is increased from  
14 "\$80,000" to (14) ~~"\$100,000"~~ "\$135,000".

15 FEDERAL COMMUNICATIONS COMMISSION  
16 SALARIES AND EXPENSES

17 The limitation under this head in the Independent  
18 Offices Appropriation Act, 1956, on the amount available  
19 for expenses of travel, is increased from "\$65,000" to  
20 "\$94,000".

21 FEDERAL HOME LOAN BANK BOARD

22 The amount made available in title II of the Independ-  
23 ent Offices Appropriation Act, 1956, for administrative ex-  
24 penses of the Home Loan Bank Board is increased from

1 “\$920,000” to “\$978,400”, and the amount made available  
 2 to said Board for nonadministrative expenses, is increased  
 3 from “\$2,995,000” to (15)“~~\$3,338,800~~” “\$3,438,800”.

#### 4 FEDERAL TRADE COMMISSION

##### 5 SALARIES AND EXPENSES

6 The limitation under this head in the Independent Offices  
 7 Appropriation Act, 1956, on the amount available for ex-  
 8 penses of travel, is increased from “\$160,000” to “\$175,000”.

#### 9 GENERAL ACCOUNTING OFFICE

10 The provisions of section 102 of the Independent Offices  
 11 Appropriation Act, 1956, shall not apply to travel performed  
 12 by employees of the General Accounting Office.

#### 13 GENERAL SERVICES ADMINISTRATION

##### 14 OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

15 For an additional amount for “Operating expenses, Pub-  
 16 lic Buildings Service”, \$4,685,000; and the limitation under  
 17 this head in the Independent Offices Appropriation Act,  
 18 1956, on the amount available for expenses of travel, is in-  
 19 creased from “\$163,500” to “\$185,600”.

#### 20 REFUNDS UNDER RENEGOTIATION ACT

21 For an additional amount for “Refunds under Renego-  
 22 tiation Act”, \$4,000,000, to remain available until expended.



(16) ACQUISITION OF LAND AND BUILDING, CHICAGO,  
ILLINOIS

*For the acquisition of the parcel of land located at 536 South Clark Street, Chicago, Illinois, together with all improvements thereon and appertaining thereto, including incidental expenses, to remain available until expended, \$3,000,000, to be derived by transfer from the appropriation "Sites and planning, purchase contract, and public buildings projects".*

(17) EXPENSES, GENERAL SUPPLY FUND

*For an additional amount for "Expenses, general supply fund", \$450,000, to be derived by transfer from the appropriation for "Sites and planning, purchase contract, and public buildings projects".*

INCREASED TRAVEL LIMITATIONS

Limitations imposed by the Independent Offices Appropriation Act, 1956, as amended by the Supplemental Appropriation Act, 1956, on amounts available for travel expenses under the following appropriations are increased as follows:

"Emergency operating expenses" from "\$13,400" to "\$15,300";

1           “Repair, improvement, and equipment” from  
2           “\$155,000” to “\$178,250”;

3           “Operating expenses, Federal Supply Service” from  
4           “\$59,750” to “\$68,100”; and

5           “Operating expenses, National Archives and Rec-  
6           ords Service” from “\$30,750” to “\$34,750”.

7           HOUSING AND HOME FINANCE AGENCY

8           OFFICE OF THE ADMINISTRATOR, SALARIES AND EXPENSES

9           For an additional amount for “Salaries and expenses”,  
10          \$398,500; and the limitation under this head in the Inde-  
11          pendent Offices Appropriation Act, 1956, on the amount  
12          available for expenses of travel, is increased from “\$263,-  
13          700” to “\$304,860”: *Provided*, That the limitation under  
14          this head on the amount available for certain nonadministra-  
15          tive expenses, is increased from “\$700,000” to “\$743,000”.

16          OFFICE OF THE ADMINISTRATOR, HOUSING LOANS TO  
17                                  EDUCATIONAL INSTITUTIONS

18          The amount made available under this head in title II  
19          of the Independent Offices Appropriation Act, 1956, for ad-  
20          ministrative expenses, is increased from “\$500,000”  
21          to “\$706,300”, and the limitation thereunder on the amount  
22          available for expenses of travel, is increased from “\$19,000”  
23          to “\$30,400”.

1 OFFICE OF THE ADMINISTRATOR, REVOLVING FUND (LIQUIDATING PROGRAMS)

3 The amount made available under this head in title II  
4 of the Independent Offices Appropriation Act, 1956, for  
5 administrative expenses, is increased from "\$2,600,000" to  
6 "\$2,788,000", and the limitation thereunder on the amount  
7 available for expenses of travel, is increased from "\$183,200"  
8 to "\$213,200".

9 FEDERAL NATIONAL MORTGAGE ASSOCIATION

10 The limitation under this head in title II of the Inde-  
11 pendent Offices Appropriation Act, 1956, on the amount  
12 available for expenses of travel, is increased from "\$90,000"  
13 to "\$130,000".

14 FEDERAL HOUSING ADMINISTRATION

15 The amount made available under this head in title II  
16 of the Independent Offices Appropriation Act, 1956, for ad-  
17 ministrative expenses, is increased from "\$5,900,000" to  
18 "\$6,692,500", and the limitation thereunder on the amount  
19 available for expenses of travel, is increased from "\$300,000"  
20 to "\$367,500": *Provided*, That the limitation under said  
21 head on the amount available for certain nonadministrative  
22 expenses of said Administration, is increased from "\$33,-  
23 000,000" to "\$35,050,000".



## 1 HOUSING INVESTMENT INSURANCE FUND

2 The unexpended balance of funds appropriated to the  
3 Treasury Department under the head "Office of the Secre-  
4 tary, Housing Investment Insurance Fund", in the Supple-  
5 mental Appropriation Act, 1949, is rescinded and shall be  
6 covered into the Treasury upon approval of this Act.

## 7 PUBLIC HOUSING ADMINISTRATION

## 8 ADMINISTRATIVE EXPENSES

9 For an additional amount for "Administrative expenses",  
10 \$1,436, 500.

11 The amount made available under this head in title II  
12 of the Independent Offices Appropriation Act, 1956, for  
13 administrative expenses, is increased from "\$8,200,000" to  
14 "\$9,636,500", and shall be available for uniforms, or allow-  
15 ances therefor, as authorized by the Act of September 1,  
16 1954, as amended (5 U. S. C. 2131) ; and the limitation  
17 thereunder on the amount available for expenses of travel,  
18 is increased from "\$530,000" to "\$682,000".

## 19 INTERSTATE COMMERCE COMMISSION

## 20 GENERAL EXPENSES

21 The limitation under this head in the Independent Offices  
22 Appropriation Act, 1956, on the amount available for ex-  
23 penses of travel, is increased from "\$330,000" to "\$397,000".

1 RAILROAD SAFETY

2 The limitation under this head in the Independent Offices  
3 Appropriation Act, 1956, on the amount available for ex-  
4 penses of travel, is increased from "163,050" to "176,000".

5 LOCOMOTIVE INSPECTION

6 The limitation under this head in the Independent Offices  
7 Appropriation Act, 1956, on the amount available for ex-  
8 penses of travel, is increased from "\$112,620" to "\$124,000".

9 NATIONAL SCIENCE FOUNDATION

10 INTERNATIONAL GEOPHYSICAL YEAR

11 For an additional amount for "International Geophysical  
12 Year", (18)~~\$26,000,000~~ \$28,000,000, to remain available  
13 until June 30, 1960.

14 SECURITIES AND EXCHANGE COMMISSION

15 SALARIES AND EXPENSES

16 The limitation under this head in the Independent Offices  
17 Appropriation Act, 1956, on the amount available for  
18 expenses of travel, is increased from "\$132,000" to  
19 "\$157,500".

20 VETERANS ADMINISTRATION

21 INPATIENT CARE

22 The limitation under this head in the Independent Offices  
23 Appropriation Act, 1956, on the amount available for

1 expenses of travel of employees, is increased from "\$246,-  
2 000" to "\$357,700": *Provided*, That, notwithstanding the  
3 last proviso under this head in the Independent Offices  
4 Appropriation Act, 1956, inpatient care and treatment may  
5 be furnished to an average of 130,309 beneficiaries (exclud-  
6 ing members in State or Territorial homes) during the  
7 current fiscal year without any proportionate reduction in  
8 expenditures.

#### 9 OUTPATIENT CARE

10 For an additional amount for "Outpatient care",  
11 \$3,882,200; and the limitation under this head in the Inde-  
12 pendent Offices Appropriation Act, 1956, on the amount  
13 available for expenses of travel of employees, is increased  
14 from "\$170,000" to "\$208,000".

#### 15 COMPENSATION AND PENSIONS

16 For an additional amount for "Compensation and pen-  
17 sions", \$10,000,000, to remain available until expended.

#### 18 READJUSTMENT BENEFITS

19 For an additional amount for "Readjustment benefits",  
20 \$185,000,000, to remain available until expended.

#### 21 INCREASED TRAVEL LIMITATIONS

22 Limitations imposed by the Independent Offices Appro-  
23 priation Act, 1956, on amounts available for travel expenses  
24 under the following appropriations are increased as follows:



“General operating expenses” from “\$2,731,000”  
to “\$2,891,550”;

“Medical administration and miscellaneous operating  
expenses” from “\$751,800” to “\$824,950”; and

“Maintenance and operation of supply depots” from  
“\$2,500” to “\$2,880”.

## CHAPTER VI

### DEPARTMENT OF THE INTERIOR

#### OFFICE OF THE SECRETARY

##### RESEARCH IN THE UTILIZATION OF SALINE WATER

For an additional amount for “Research in the utilization  
of saline water”, \$200,000.

#### (19) OIL AND GAS DIVISION

*For an additional amount for “Oil and Gas Division”,  
\$35,000.*

#### BUREAU OF LAND MANAGEMENT

##### MANAGEMENT OF LANDS AND RESOURCES

For an additional amount for “Management of lands and  
resources”, (20) ~~\$800,000~~ \$1,200,000.

#### (21) CONSTRUCTION

*For an additional amount for “Construction”, \$2,000,-  
000, to remain available until expended.*

## BUREAU OF INDIAN AFFAIRS

## EDUCATION AND WELFARE SERVICES

For an additional amount for "Education and welfare services", \$1,871,000 (22): *Provided, That the Secretary of the Army is authorized and directed to transfer to the Secretary of the Interior, without exchange of funds, forty-six school buses presently on loan to the Bureau of Indian Affairs.*

## (23) CONSTRUCTION

*For an additional amount for "Construction", \$240,000, to remain available until expended: Provided, That the funds herein used for restoration of Indian irrigation facilities shall be nonreimbursable: Provided further, That not to exceed \$54,000 used for emergency reconstruction, replacement or repair of the San Carlos irrigation facilities damaged or destroyed by flood and storm in 1955 shall be nonreimbursable.*

## GEOLOGICAL SURVEY

## SURVEYS, INVESTIGATIONS, AND RESEARCH

For an additional amount for "Surveys, investigations, and research", \$1,650,000.

## 1 NATIONAL PARK SERVICE

## 2 CONSTRUCTION

3 (24) For an additional amount for "Construction", \$3,000,-  
4 000. For an additional amount for "Construction", \$360,-  
5 000, to remain available until expended.

## 6 (25) JONES POINT BRIDGE

7 For expenses necessary for the construction of a bridge  
8 over the Potomac River pursuant to the provisions of the  
9 Act of August 30, 1954 (68 Stat. 963, 964), \$500,000,  
10 to remain available until expended: Provided, That the unex-  
11 pended balance of the appropriation granted under this head  
12 in the Second Supplemental Appropriation Act, 1955, is  
13 hereby merged with this appropriation.

## 14 FISH AND WILDLIFE SERVICE

## 15 FEDERAL AID IN WILDLIFE RESTORATION

16 For "Federal aid in wildlife restoration", an amount  
17 equal to 20 per centum of the accumulated unappropriated  
18 receipts in the "Federal aid to wildlife restoration fund"  
19 on August 12, 1955, and a like amount for each of the four  
20 next succeeding fiscal years, to be derived from said fund  
21 pursuant to the provisions of the Act of August 12, 1955



(69 Stat. 698) : *Provided*, That the annual apportionments to the Territories of Alaska and Hawaii, and to Puerto Rico and the Virgin Islands authorized by section 8a of the Act of September 2, 1937 (16 U. S. C. 669g-1), as amended, may be increased by not to exceed 20 per centum.

## OFFICE OF TERRITORIES

### ADMINISTRATION OF TERRITORIES

For an additional amount for "Administration of Territories", \$60,000.

## DEPARTMENT OF AGRICULTURE

### FOREST SERVICE

#### SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:

"National forest protection and management",  
\$2,178,500;

"Fighting forest fires", \$5,250,000;

"Control of forest pests", \$30,000; and

"Forest research", \$455,000.

## CHAPTER VII

### (26) DEPARTMENT OF LABOR

#### BUREAU OF EMPLOYMENT SECURITY

##### MEXICAN FARM LABOR PROGRAM

For an additional amount for "Salaries and expenses, Mexican farm labor program", \$65,000, to be derived by

1 *transfer from the appropriation "Unemployment compensa-*  
2 *tion for veterans"*.

3 DEPARTMENT OF HEALTH, EDUCATION, AND  
4 WELFARE

5 OFFICE OF EDUCATION

6 PAYMENTS TO SCHOOL DISTRICTS

7 For an additional amount for "Payments to school dis-  
8 tricts", \$25,000,000.

9 ASSISTANCE FOR SCHOOL CONSTRUCTION

10 For an additional amount for "Assistance for school  
11 construction", including carrying out the provisions of the  
12 Act of August 12, 1955 (Public Law 382), \$9,900,000,  
13 to remain available until expended.

14 PUBLIC HEALTH SERVICE

15 GRANTS TO STATES FOR POLIOMYELITIS VACCINATION

16 For an additional amount for "Grants to States for  
17 poliomyelitis vaccination", \$27,800,000, and such amount  
18 together with amounts previously appropriated under this  
19 head shall remain available until June 30, 1957.

20 (27) CONSTRUCTION OF RESEARCH FACILITIES

21 For construction of a laboratory building for the bio-  
22 logics standards activities of the National Institutes of  
23 Health, and for expansion of and additional equipment for  
24 the boiler plant, including the preparation of plans, super-  
25 vision, and fixed equipment, to remain available until ex-

1 pended, \$3,190,000, together with not to exceed \$310,000  
 2 of the unobligated balance of funds previously appropriated  
 3 under this head.

4 CONSTRUCTION OF BIOLOGICS STANDARDS LABORATORY  
 5 BUILDING

6 For construction of a laboratory building for the bio-  
 7 logics standards activities of the National Institutes of Health,  
 8 and for expansion of and additional equipment for the boiler  
 9 plant, including the preparation of plans, supervision, and  
 10 fixed equipment, \$3,190,000, together with not to exceed  
 11 \$310,000 to be derived by transfer from "Construction of  
 12 research facilities".

13 (28) INCREASED PAY COSTS, CAREER INCENTIVE ACT  
 14 OF 1955

15 For additional amounts for appropriations for the fiscal  
 16 year 1956, for increased pay costs authorized by the Act of  
 17 March 31, 1955 (Public Law 20), as follows:

18 "Assistance to States, general", \$55,000;

19 "Communicable diseases", \$55,000;

20 "Sanitary engineering activities", \$70,000;

21 "Foreign quarantine service", \$20,000;

22 "Retired pay of commissioned officers", \$130,000;

23 The Surgeon General is authorized to transfer between



1 *appropriations to the Public Health Service such amounts*  
 2 *as may be necessary to meet increased costs authorized by*  
 3 *Public Law 20, Eighty-fourth Congress, but no appropria-*  
 4 *tion shall be increased by more than \$10,000 as a result of*  
 5 *such transfers.*

## 6 SOCIAL SECURITY ADMINISTRATION

### 7 GRANTS TO STATES FOR PUBLIC ASSISTANCE

8 For an additional amount for "Grants to States for  
 9 public assistance", ~~(29)\$47,000,000~~ \$50,000,000.

## 10 NATIONAL LABOR RELATIONS BOARD

### 11 SALARIES AND EXPENSES

12 For an additional amount for "Salaries and expenses,"  
 13 \$800,000.

## 14 ~~(30)~~NATIONAL MEDIATION BOARD

15 *For an additional amount for "Salaries and expenses",*  
 16 *\$25,000, to be derived by transfer from the appropriation*  
 17 *"Arbitration and emergency boards", fiscal year 1956.*

## 18 RAILROAD RETIREMENT BOARD

### 19 SALARIES AND EXPENSES, RAILROAD RETIREMENT BOARD

#### 20 (TRUST FUND)

21 For an additional amount for "Salaries and expenses,  
 22 Railroad Retirement Board (trust fund)," ~~(31)\$548,000~~  
 23 \$888,000, to be derived from the railroad retirement account.

## 1 CHAPTER VIII

## 2 PUBLIC WORKS

## 3 (32) TENNESSEE VALLEY AUTHORITY

4 For an additional amount for "Tennessee Valley Au-  
5 thority", \$3,500,000, to remain available until expended.

## 6 DEPARTMENT OF THE INTERIOR

## 7 OFFICE OF THE SECRETARY

## 8 OPERATION AND MAINTENANCE, SOUTHEASTERN

## 9 POWER ADMINISTRATION

10 For an additional amount for "Operation and main-  
11 tenance, Southeastern Power Administration", \$235,000.

## 12 DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

## 13 RIVERS AND HARBORS AND FLOOD CONTROL

## 14 Operation and Maintenance, General

15 For an additional amount for "Operation and main-  
16 tenance, general", to remain available until expended,  
17 \$15,375,000, of which \$15,000,000 shall be available for  
18 carrying out the provisions of the Act of June 28, 1955  
19 (Public Law 99), and of which not more than \$25,000 shall  
20 be available for the dredging of the Kalamazoo River, where  
21 it flows into Lake Michigan.

## CHAPTER IX

## DEPARTMENT OF STATE

PAYMENT TO FOREIGN SERVICE RETIREMENT AND  
DISABILITY FUND

For payment to the Foreign Service retirement and disability fund as authorized by the Foreign Service Act of 1946 (22 U. S. C. 1061-1116), \$1,236,000.

EXTENSION AND REMODELING, STATE DEPARTMENT  
BUILDING

For an additional amount for "Extension and remodeling, State Department Building", to remain available until expended, \$800,000, to be transferred to the General Services Administration.

## CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", \$349,790.

## DEPARTMENT OF JUSTICE

## LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

## SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, general legal activities", ~~(33)\$500,000~~ \$550,000.



1 SALARIES AND EXPENSES, ANTITRUST DIVISION

2 For an additional amount for "Salaries and expenses,  
3 Antitrust Division", \$364,000.

4 FEES AND EXPENSES OF WITNESSES

5 For an additional amount for "Fees and expenses of  
6 witnesses", \$100,000 (34); *and the limitation under this*  
7 *head in the Department of Justice Appropriation Act, 1956,*  
8 *on the amount available for compensation and expenses of*  
9 *witnesses or informants, is increased from "\$175,000" to*  
10 *"\$200,000".*

11 SALARIES AND EXPENSES, CLAIMS OF PERSONS OF

12 JAPANESE ANCESTRY

13 For an additional amount for "Salaries and expenses,  
14 claims of persons of Japanese ancestry", \$600,000.

15 THE JUDICIARY

16 SUPREME COURT OF THE UNITED STATES

17 MISCELLANEOUS EXPENSES

18 For an additional amount for "Miscellaneous expenses",  
19 \$900.

20 COURTS OF APPEALS, DISTRICT COURTS, AND OTHER

21 JUDICIAL SERVICES

22 TRAVEL AND MISCELLANEOUS EXPENSES

23 For an additional amount for "Travel and miscellaneous  
24 expenses", \$225,000, to be derived by transfer from the

1 appropriation "Fees of jurors and commissioners", fiscal  
2 year 1956.

### 3 SALARIES OF REFEREES

4 For an additional amount for "Salaries of referees",  
5 ~~(35)\$6,375~~ \$8,375, to be derived from the referees' salary  
6 fund established in pursuance of the Act of June 28, 1946, as  
7 amended (11 U. S. C. 68).

### 8 EXPENSES OF REFEREES

9 For an additional amount for "Expenses of referees",  
10 \$111,500, to be derived from the referees' expense fund  
11 established in pursuance of the Act of June 28, 1946, as  
12 amended (11 U. S. C. 68 (c) (4)).

## 13 CHAPTER X

### 14 TREASURY DEPARTMENT

#### 15 BUREAU OF ACCOUNTS

#### 16 SALARIES AND EXPENSES

17 For an additional amount for "Salaries and expenses",  
18 \$163,000.

#### 19 COAST GUARD

#### 20 RESERVE TRAINING

21 For an additional amount for "Reserve training",  
22 \$868,000, to be derived by transfer from the appropriation  
23 "Acquisition, construction, and improvements".

24 For an additional amount for "Reserve training", 1957,  
25 \$3,500,000.

(36) POST OFFICE DEPARTMENT

OPERATIONS

*For an additional amount for "Operations", \$16,-  
000,000: Provided, That the Postmaster General, with the  
approval of the Director of the Bureau of the Budget, may  
transfer such sums (not to exceed \$2,000,000) as he deems  
necessary from any appropriation available to the Post  
Office Department for the remainder of the fiscal year end-  
ing June 30, 1956, to any other such appropriation or  
appropriations without regard to the limitations imposed by  
the first proviso contained in the paragraph under the heading  
"Operations" in title II of the Treasury-Post Office Appro-  
priation Act, 1956.*

THE TAX COURT OF THE UNITED STATES

SALARIES AND EXPENSES

*For an additional amount for "Salaries and expenses",  
\$87,000.*

CHAPTER XI

DISTRICT OF COLUMBIA

OPERATING EXPENSES

METROPOLITAN POLICE

*For an additional amount for "Metropolitan Police",  
\$240,000 of which \$36,000 shall be payable from the high-  
way fund of the District of Columbia, as defined in the Dis-  
trict of Columbia Appropriation Act, 1956.*



1 DEPARTMENT OF PUBLIC HEALTH

2 For an additional amount for "Department of Public  
3 Health," (37)~~\$130,000~~ \$150,000.

4 For an additional amount, fiscal year 1954, for "Freed-  
5 men's Hospital", \$137,489.

6 PUBLIC WELFARE

7 For an additional amount for "Department of Public  
8 Welfare", \$250,000.

9 For an additional amount, fiscal year 1955, for "De-  
10 partment of Public Welfare", \$327,000.

11 DEPARTMENT OF HIGHWAYS

12 For an additional amount for "Department of High-  
13 ways", \$393,000.

14 SETTLEMENT OF CLAIMS AND SUITS

15 For the payment of claims in excess of \$250, approved  
16 by the Commissioners in accordance with the provisions of  
17 the Act of February 11, 1929, as amended (45 Stat. 1160;  
18 46 Stat. 500; 65 Stat. 131), \$44,708.

19 JUDGMENTS

20 For the payment of final judgments rendered against the  
21 District of Columbia, as set forth in House Document Num-  
22 bered 330 (Eighty-fourth Congress), \$18,728, together with  
23 such further sums as may be necessary to pay the interest  
24 at not exceeding 4 per centum per annum on such judgments,

1 as provided by law, from the date the same become due until  
2 the date of payment.

3 AUDITED CLAIMS

4 For an additional amount for the payment of claims, cer-  
5 tified to be due by the accounting officers of the District of  
6 Columbia, under appropriations the balances of which have  
7 been exhausted or credited to the general fund of the District  
8 of Columbia as provided by law (D. C. Code, title 47, sec.  
9 130a), being for the service of the fiscal year 1953 and prior  
10 fiscal years, as set forth in House Document Numbered 330  
11 (Eighty-fourth Congress), \$85,785, together with such  
12 further sums as may be necessary to pay the interest on  
13 audited claims for refunds at not exceeding 4 per centum per  
14 annum as provided by law (Act of July 10, 1952, 66 Stat.  
15 546, sec. 14d).

16 DIVISION OF EXPENSES

17 The sums appropriated in this Act for the District of  
18 Columbia shall, unless otherwise specifically provided for, be  
19 paid out of the general fund of the District of Columbia, as  
20 defined in the District of Columbia Appropriation Acts for  
21 the fiscal years involved.

## CHAPTER XII

## LEGISLATIVE BRANCH

## (38) SENATE

(39) *For payment to Lois Lilly Kilgore, widow of Harley M. Kilgore, late a Senator from the State of West Virginia, \$22,500.*

## (40) SALARIES, OFFICES AND EMPLOYEES

*Office of the Secretary: For an additional amount for the Office of the Secretary, \$2,535: Provided, That the basic compensation of the assistant to the majority and the assistant to the minority may be fixed by the majority and minority leaders, respectively, at a rate not to exceed \$8,820 per annum; and that effective April 1, 1956, the basic amount available for clerical assistance and readjustment of salaries in the disbursing office is increased by \$3,000.*

## (41) CONTINGENT EXPENSES OF THE SENATE

(42) *Joint Committee on the Economic Report: For an additional amount for salaries and expenses of the Joint Committee on the Economic Report, \$10,914.*

(43) *Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, \$600,000.*



1 (44) *Stationery: For an additional amount for stationery,*  
 2 *\$2,900, and the amount available for stationery for com-*  
 3 *mittees and officers of the Senate is hereby increased to*  
 4 *\$12,900.*

#### 5 (45) ADMINISTRATIVE PROVISIONS

6 *The third proviso in the paragraph relating to the au-*  
 7 *thority of Senators and committee chairmen to rearrange the*  
 8 *basic salaries of employees in their respective offices or com-*  
 9 *mittees, which appears in the Legislative Branch Appropria-*  
 10 *tion Act, 1947, as amended (2 U. S. C. 60f), is amended*  
 11 *to read as follows: "Provided further, That Senators and*  
 12 *committee chairmen, on or before the day on which they are*  
 13 *to become effective, shall certify in writing such changes or*  
 14 *rearrangements to the disbursing office of the Senate which*  
 15 *thereafter shall pay such employees in accordance with such*  
 16 *certifications, except that, in the case of any change or re-*  
 17 *arrangement, other than original appointments, to become*  
 18 *effective on or after the first day and prior to the tenth day*  
 19 *of any month, such certification may be made at any time not*  
 20 *later than the tenth day of such month".*

#### 21 HOUSE OF REPRESENTATIVES

22 *For payment to Ella Stegen Reed, widow of Chauncey*  
 23 *W. Reed, late a Representative from the State of Illinois,*  
 24 *\$22,500.*

## 1 CONTINGENT EXPENSES OF THE HOUSE

## 2 SPECIAL AND SELECT COMMITTEES

3 For an additional amount for "Special and select com-  
4 mittees", \$300,000.

## 5 STATIONERY (REVOLVING FUND)

6 For an additional amount for "Stationery (revolving  
7 fund)", first session, Eighty-fourth Congress, \$100, to re-  
8 main available until expended.

## 9 ATTENDING PHYSICIAN'S OFFICE

10 For an additional amount for "Attending physician's  
11 office", \$1,000.

## 12 FOLDING DOCUMENTS

13 For an additional amount for "Folding documents",  
14 \$15,000.

## 15 CAPITOL POLICE

## 16 GENERAL EXPENSES

17 For an additional amount for "General expenses",  
18 \$1,700.

## 19 CHAPTER XIII

## 20 CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND

## 21 JUDGMENTS

22 For payment of claims for damages as settled and deter-  
23 mined by departments and agencies in accord with law,  
24 audited claims certified to be due by the General Accounting

1 House of Representatives:

2 "Salaries, officers and employees", \$681,345;

3 "Members' clerk hire", \$3,100,000;

4 Contingent expenses of the House:

5 "Furniture", \$9,300;

6 "Special and select committees", \$150,000;

7 "Joint Committee on Internal Revenue Taxa-  
8 tion", \$20,000;

9 "Office of the Coördinator of Information",  
10 \$4,160;

11 "Attending physician's office", \$2,160;

12 "Folding documents", \$40,000;

13 "Revision of laws", \$2,800;

14 "Speaker's automobile", \$700;

15 "Automobile for the Majority Leader", \$665;

16 "Automobile for the Minority Leader", \$665;

17 Capitol police: "Capitol Police Board", \$6,810;

18 "Office of the Legislative Counsel", \$38,000 of which  
19 \$12,000 shall be disbursed by the Secretary of the Senate  
20 and \$26,000 shall be disbursed by the Clerk of the House  
21 of Representatives;

22 "Education of Senate and House pages", \$1,450;

23 Architect of the Capitol: Office of the Architect of the  
24 Capitol: "Salaries", \$6,000;



1 Botanic Garden: "Salaries and expenses", \$2,000;

2 Library of Congress:

3 "Salaries and expenses", \$283,064;

4 Copyright Office: "Salaries and expenses", \$80,415;

5 Legislative reference service: "Salaries and ex-  
6 penses", \$70,055;

7 Distribution of catalog cards: "Salaries and ex-  
8 penses", \$52,359;

9 "Books for the blind", \$6,678;

10 Government Printing Office: Office of Superintendent of  
11 Documents: "Salaries and expenses", \$87,270;

## 12 THE JUDICIARY

13 Supreme Court of the United States: "Salaries", \$9,000;

14 Customs Court: "Salaries and expenses", \$12,500;

15 Courts of appeals, district courts, and other judicial  
16 services:

17 "Salaries of supporting personnel", \$825,000;

18 "Administrative Office of the United States Courts",  
19 \$36,500;

## 20 EXECUTIVE OFFICE OF THE PRESIDENT

21 "Executive Mansion and grounds", \$17,575;

22 Bureau of the Budget: "Salaries and expenses",  
23 \$210,000;

24 Council of Economic Advisers: "Salaries and expenses",  
25 \$4,000;

1       National Security Council: "Salaries and expenses",  
2       \$4,000;

3       Office of Defense Mobilization: "Salaries and expenses",  
4       \$50,000;

5       President's Commission on Veterans' Pensions: "Sal-  
6       aries and expenses", \$12,000;

7               FUNDS APPROPRIATED TO THE PRESIDENT

8       "Refugee relief" (decrease the amount of the limitation  
9       under this head in the Departments of State and Justice, the  
10      Judiciary, and Related Agencies Appropriation Act, 1956,  
11      on capital for making loans from "\$2,000,000" to "\$1,-  
12      685,655") ;

13               INDEPENDENT OFFICES

14      American Battle Monuments Commission: "Salaries and  
15      expenses", \$9,000;

16      Civil Service Commission: "Salaries and expenses",  
17      \$1,065,000;

18      Federal Civil Defense Administration:

19          "Operations", \$362,000, to be derived by transfer  
20      from the appropriation "Emergency supplies and equip-  
21      ment";

22          "Salaries and expenses, civil defense functions of  
23      Federal agencies", \$40,000, to be derived by transfer  
24      from the appropriation "Emergency supplies and equip-  
25      ment";

1 Federal Communications Commission: "Salaries and ex-  
2 penses", \$453,000;

3 Federal Mediation and Conciliation Service: "Salaries  
4 and expenses", \$160,000;

5 Federal Power Commission: "Salaries and expenses",  
6 \$250,000;

7 Federal Trade Commission: "Salaries and expenses",  
8 \$286,000;

9 General Accounting Office: "Salaries and expenses",  
10 \$1,500,000;

11 Indian Claims Commission: "Salaries and expenses",  
12 \$1,700;

13 Interstate Commerce Commission:

14 "General expenses", \$670,000;

15 "Railroad safety", \$60,500;

16 "Locomotive inspection", \$44,500;

17 National Capital Housing Authority: "Maintenance and  
18 operation of properties", \$1,400;

19 National Capital Planning Commission: "Salaries and  
20 expenses", \$6,700;

21 (61) *National Mediation Board: National Railroad Adjust-*  
22 *ment Board: "Salaries and expenses" (decrease of \$18,000*  
23 *in the limitation upon the amount available for compensation*  
24 *and expenses of referees);*



1       Securities and Exchange Commission: "Salaries and  
2 expenses", \$323,000;

3       Selective Service System: "Salaries and expenses" (de-  
4 crease the amount of the limitation under this head in the  
5 Independent Offices Appropriation Act, 1956, on the amount  
6 available for registration, classification, and induction activi-  
7 ties of local boards from "\$20,963,700" to "\$20,636,300");

8       Small Business Administration: "Salaries and expenses",  
9 \$128,000;

10       Smithsonian Institution:

11           "Salaries and expenses", \$166,000;

12           "Salaries and expenses, National Gallery of Art",  
13 \$81,000;

14       Tariff Commission: "Salaries and expenses", \$83,000;

15       United States Information Agency: "Salaries and ex-  
16 penses", \$2,000,000;

17       Veterans Administration:

18           "General operating expenses", \$9,500,000;

19           "Medical administration and miscellaneous operating  
20 expenses", \$755,600;

21           "Inpatient care", \$30,790,600;

22           "Maintenance and operation of supply depots",  
23 \$50,000;

## GENERAL SERVICES ADMINISTRATION

“Emergency operating expenses”, \$265,000;

“Operating expenses, Federal Supply Service”,  
\$190,000;

“Expenses, general supply fund”, \$625,000;

“Operating expenses, National Archives and Records  
Service”, \$325,000;

“Administrative operations”, \$285,000;

“Abaca fiber program” (increase of \$2,000 in the limitation upon the amount which may be used for administrative expenses) ;

## DEPARTMENT OF AGRICULTURE

Agricultural Research Service:

“Research on strategic and critical agricultural materials”, \$14,000;

“Foot-and-mouth and other contagious diseases of animals and poultry”, \$45,000;

Extension Service: Federal Extension Service: “Administration and coordination”, \$60,000, to be derived by transfer from the appropriation “Payments to States, Hawaii, Alaska, and Puerto Rico”;

“Farmer Cooperative Service”, \$19,000;

Forest Service: “State and private forestry cooperation”, \$45,000;

1        Soil Conservation Service: "Conservation operations",  
2        \$3,650,000;

3        Agricultural Marketing Service: "Marketing research  
4        and service", \$1,300,000, of which \$925,000 shall be  
5        derived by transfer from the appropriation "Payments to  
6        States, Hawaii, Alaska, and Puerto Rico", Extension  
7        Service;

8        "Foreign Agricultural Service", \$80,000;

9        "Commodity Exchange Authority", \$44,000;

10       Commodity Stabilization Service: "Agricultural adjust-  
11       ment programs", \$150,000;

12       "Federal Crop Insurance Corporation", \$214,200;

13       Rural Electrification Administration: "Salaries and ex-  
14       penses", \$460,000;

15       "Office of the General Counsel", \$116,000;

16       "Office of the Secretary", \$138,000;

17       "Office of Information", \$43,500;

18       "Library", \$40,000;

19                                  DEPARTMENT OF COMMERCE

20       Office of the Secretary: "Salaries and expenses", \$140,-  
21       500;

22       Bureau of the Census: "Censuses of business, manu-  
23       factures, and mineral industries", \$304,000;

24       Civil Aeronautics Administration:

25                "Operation and regulation", \$5,890,000;



1           “Maintenance and operation, Washington National  
2   Airport”, \$38,000;

3           “Maintenance and operation of public airports, Ter-  
4   ritory of Alaska”, \$17,500;

5   Civil Aeronautics Board: “Salaries and expenses”,  
6   \$265,000;

7   Coast and Geodetic Survey: “Salaries and expenses”,  
8   \$340,000;

9   Business and Defense Services Administration: “Salaries  
10 and expenses”, \$402,000;

11   Bureau of Foreign Commerce:

12           “Salaries and expenses”, \$130,500;

13           “Export control”, \$186,000;

14   Office of Business Economics: “Salaries and expenses”,  
15   \$60,000;

16   Maritime activities: “Salaries and expenses”, \$525,500;  
17 and increase the limitations thereunder as follows:

18           Administrative expenses, \$410,000;

19           Maintenance of shipyard facilities and operation of  
20   warehouses, \$37,200;

21           Reserve fleet expenses, \$78,300;

22   Patent Office: “Salaries and expenses”, \$500,000;

23   National Bureau of Standards: “Expenses”, \$413,500;

24   Weather Bureau: “Salaries and expenses”, \$1,650,000;

## 1 DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

2 Office of the Secretary of Defense: "Salaries and ex-  
 3 penses", \$769,000(62),—to be derived by transfer from the  
 4 appropriation "Military personnel, Marine Corps";

5 "Office of Public Affairs", \$27,500(63),—to be derived by  
 6 transfer from the appropriation "Military personnel, Marine  
 7 Corps";

8 Interservice activities: "Court of Military Appeals",  
 9 \$41,400(64),—to be derived by transfer from the appropria-  
 10 tion "Military personnel, Marine Corps";

## 11 Department of the Navy:

12 "Service-wide supply and finance", \$7,400,-  
 13 000(65),—to be derived by transfer from the appropria-  
 14 tion "Military personnel, Marine Corps";

15 "Service-wide operations", \$2,180,000 (66), to be  
 16 derived by transfer from the appropriation "Military  
 17 personnel, Marine Corps";

## 18 DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

## 19 Department of the Army:

## 20 Rivers and harbors and flood control:

21 "General investigations", \$100,000;

22 "General expenses", \$550,000;

23 "United States Soldiers' Home", \$137,000, to be  
 24 paid from the Soldiers' Home permanent fund;

Canal Zone Government: "Operating expenses",  
\$448,000;

"Panama Canal Company" (increase of \$49,000  
in the limitation upon the amount which may be used  
for administrative expenses) ;

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration: "Salaries and ex-  
penses", \$360,000;

Freedmen's Hospital: "Salaries and expenses", \$100,-  
000;

Gallaudet College: "Salaries and expenses", \$9,000;

Howard University: "Salaries and expenses", \$215,-  
000;

Office of Education:

"Salaries and expenses", \$190,000, to be derived  
by transfer from the appropriation "Promotion and  
further development of vocational education";

"Salaries and expenses, White House Conference on  
Education", \$8,000;

Office of Vocational Rehabilitation: "Salaries and ex-  
penses", \$58,000;

Public Health Service:

"Assistance to States, general", \$161,000;

"Venereal diseases", \$116,000;



1           “Tuberculosis”, \$62,000;

2           “Communicable diseases”, \$146,000;

3           “Sanitary engineering activities”, \$120,000;

4           “Disease and sanitary investigations and control,  
5   Territory of Alaska”, \$14,000;

6           “Salaries and expenses, hospital construction serv-  
7   ices”, \$40,000;

8           “Hospitals and medical care”, \$1,070,000;

9           “Foreign quarantine service”, \$150,000;

10          “Indian health activities”, \$1,150,000;

11          “National Institutes of Health, operating expenses”,  
12   \$30,000;

13          “National Cancer Institute”, \$150,000;

14          “National Heart Institute”, \$120,000, of which  
15   \$90,000 shall be derived by transfer from the appro-  
16   priation “Construction of housing facilities for animals”;

17          “Dental health activities”, \$40,000;

18          “Arthritis and metabolic disease activities”,  
19   \$100,000;

20          “Microbiology activities”, \$195,000;

21          “Salaries and expenses”, \$154,000;

22   Saint Elizabeths Hospital: “Salaries and expenses”,  
23   \$117,000;

24   Social Security Administration:

25          “Salaries and expenses, Bureau of Old-Age and

Survivors Insurance", \$5,229,000, to be derived from the Federal old-age and survivors insurance trust fund;

"Salaries and expenses, Bureau of Public Assistance", \$95,000;

"Salaries and expenses, Children's Bureau", \$100,000, to be derived by transfer from the appropriation "Promotion and further development of vocational education";

"Salaries and expenses, Office of the Commissioner", \$11,400, together with not to exceed \$8,600 to be transferred from the Federal old-age and survivors insurance trust fund;

Office of the Secretary:

"Salaries and expenses", \$83,500, together with not to exceed \$11,500 to be transferred from the Federal old-age and survivors insurance trust fund;

"Salaries and expenses, Office of Field Administration", \$108,400, together with not to exceed \$27,000 to be transferred from Federal old-age and survivors insurance trust fund;

"Salaries and expenses, Office of the General Counsel", \$26,400, together with not to exceed \$1,500 to be transferred from the appropriation "Salaries and expenses, certification, inspection, and other services", and

1 not to exceed \$25,900, to be derived from the Federal  
 2 old-age and survivors insurance trust fund;

3 “Surplus property utilization”, \$25,000;

4 DEPARTMENT OF THE INTERIOR

5 Office of the Secretary:

6 “Oil and Gas Division”, \$15,600;

7 “Office of the Solicitor”, \$165,000;

8 Commission of Fine Arts: “Salaries and expenses”,  
 9 \$1,000;

10 Bonneville Power Administration: “Operation and  
 11 maintenance”, ~~(67)\$162,500~~ \$187,500;

12 Bureau of Indian Affairs:

13 “Resources management”, \$450,000;

14 “General administrative expenses”, \$150,000;

15 Bureau of Reclamation:

16 “Operation and maintenance” (decrease the amount  
 17 under this head in the Public Works Appropriation Act,  
 18 1956, which is to be derived from the reclamation fund  
 19 from “\$20,223,638” to “\$20,171,138”, and increase  
 20 the amount under said head which is to be derived from  
 21 the Colorado River dam fund from “\$1,697,000” to  
 22 “\$1,749,500”);

23 “General administrative expenses”, ~~(68)\$150,000~~  
 24 \$170,000;



Bureau of Mines:

“Conservation and development of mineral resources.

\$650,000;

“Health and safety”, \$305,000;

“General administrative expenses”, \$60,000;

National Park Service:

“Management and protection”, \$618,000;

“Maintenance and rehabilitation of physical facilities”, \$144,000;

“General administrative expenses”, \$75,000;

Fish and Wildlife Service:

“Management of resources”, \$280,000;

“Investigations of resources”, \$185,000;

“General administrative expenses”, \$50,000;

Administration, Department of the Interior: “Salaries and expenses”, \$100,000;

DEPARTMENT OF JUSTICE

Legal activities and general administration:

“Salaries and expenses, general administration”,  
\$173,000;

“Salaries and expenses, United States attorneys and marshals”, \$559,000;

Federal Bureau of Investigation: “Salaries and expenses”, \$5,826,000;

1 Immigration and Naturalization Service: "Salaries and  
2 expenses", \$1,995,000;

3 Federal Prison System:

4 "Salaries and expenses, Bureau of Prisons",  
5 \$1,335,000, of which \$275,000 shall be derived by  
6 transfer from the appropriation "Support of United  
7 States prisoners";

8 "Federal Prison Industries, Inc." (increase of  
9 \$15,000 in the limitation upon the amount which may be  
10 used for expenses of vocational training of prisoners);

11 DEPARTMENT OF LABOR

12 Office of the Secretary: "Salaries and expenses", \$90,-  
13 850, to be derived by transfer from the appropriation "Un-  
14 employment compensation for veterans";

15 Office of the Solicitor: "Salaries and expenses", \$79,500,  
16 to be derived by transfer from the appropriation "Unemploy-  
17 ment compensation for veterans";

18 Bureau of Labor Standards: "Salaries and expenses",  
19 \$49,000, to be derived by transfer from the appropriation  
20 "Unemployment compensation for veterans";

21 Bureau of Veterans' Reemployment Rights: "Salaries  
22 and expenses", \$22,500, to be derived by transfer from the  
23 appropriation "Unemployment compensation for veterans";

1 Bureau of Apprenticeship: "Salaries and expenses",  
2 \$200,800, to be derived by transfer from the appropriation  
3 "Unemployment compensation for veterans";

4 Bureau of Employment Security:

5 "Salaries and expenses", \$329,100, to be derived  
6 by transfer from the appropriation "Unemployment com-  
7 pensation for veterans";

8 "Salaries and expenses, Mexican farm labor pro-  
9 gram", \$107,000, to be derived by transfer from the  
10 appropriation "Unemployment compensation for vet-  
11 erans";

12 Bureau of Employees' Compensation: "Salaries and ex-  
13 penses", \$143,000, to be derived by transfer from the  
14 appropriation "Unemployment compensation for veterans";

15 Bureau of Labor Statistics: "Salaries and expenses",  
16 \$342,000, to be derived by transfer from the appropriation  
17 "Unemployment compensation for veterans";

18 Women's Bureau: "Salaries and expenses", \$23,000,  
19 to be derived by transfer from the appropriation "Unem-  
20 ployment compensation for veterans";

21 Wage and Hour Division: "Salaries and expenses",  
22 \$481,000, to be derived by transfer from the appropriation  
23 "Unemployment compensation for veterans";



## 1 POST OFFICE DEPARTMENT

2 (Out of postal fund)

3 "Administration", \$486,600;

4 "Operation", \$135,363,000;

5 "Transportation", \$11,100,000;

6 "Finance", \$335,400;

7 "Facilities", \$2,715,000;

## 8 DEPARTMENT OF STATE

9 "Salaries and expenses", \$3,080,000, of which \$263,000  
10 shall be derived by transfer from the appropriation "Educa-  
11 tional aid for China and Korea, State";

12 "Missions to international organizations", \$43,000, to  
13 be derived by transfer from the appropriation "Educational  
14 aid for China and Korea, State";

15 International Boundary and Water Commission, United  
16 States and Mexico:

17 "Salaries and expenses", \$22,000, to be derived by  
18 transfer from the appropriation "Educational aid for  
19 China and Korea, State";

20 "Operation and maintenance", \$39,000, to be de-  
21 rived by transfer from the appropriation "Educational  
22 aid for China and Korea, State";

23 "American sections, international commissions", \$13,-  
24 000, to be derived by transfer from the appropriation "Edu-  
25 cational aid for China and Korea, State";

1       “International educational exchange activities”, \$170,-  
2   000, to be derived by transfer from the appropriation “Edu-  
3   cational aid for China and Korea, State”;

4                   TREASURY DEPARTMENT

5       Office of the Secretary:

6               “Salaries and expenses”, \$170,000;

7               “Liquidation of Reconstruction Finance Corpora-  
8   tion” (increase of \$85,000 in the amount which may  
9   be used for administrative expenses) ;

10      Bureau of Accounts: “Salaries and expenses, Division  
11   of Disbursement”, \$280,000;

12      Bureau of the Public Debt: “Administering the public  
13   debt”, \$752,000;

14      Office of the Treasurer: “Salaries and expenses”, \$175,-  
15   000;

16      Bureau of Customs: “Salaries and expenses”, \$2,855,-  
17   000;

18      Internal Revenue Service: “Salaries and expenses”,  
19   \$17,900,000;

20      Bureau of Narcotics: “Salaries and expenses”, \$155,-  
21   000;

22      United States Secret Service:

23               “Salaries and expenses”, \$179,000;

24               “Salaries and expenses, White House Police”, \$57,-  
25   000;

1           “Salaries and expenses, guard force”, \$17,000;

2           Coast Guard: “Operating expenses”, \$389,000, to be  
3   derived by transfer from the appropriation “Retired pay”;

4                               DISTRICT OF COLUMBIA

5                               (Out of District of Columbia funds)

6           Operating expenses:

7                   “Executive Office”, \$17,500;

8                   “Department of General Administration”, \$88,-  
9   400;

10                  “Office of Corporation Counsel”, \$24,400;

11                  “Compensation and retirement fund expenses”,  
12   \$440,000;

13                  “Regulatory agencies”, \$55,700;

14                  “Department of Occupations and Professions”,  
15   \$13,600;

16                  “Public schools”, \$3,172,000;

17                  “Public Library”, \$98,500;

18                  “Recreation Department”, \$79,000;

19                  “Metropolitan Police”, \$840,300, of which amount  
20   \$118,100 shall be payable from the highway fund;

21                  “Fire Department”, \$330,000;

22                  “Office of Civil Defense”, \$3,400;

23                  “Courts”, \$445,000;

24                  “Department of Public Health”, \$1,263,800;

25                  “Department of Corrections”, \$145,000;



1 "Department of Public Welfare", \$297,800;

2 "Department of Buildings and Grounds", \$77,300;

3 "Office of the Surveyor", \$4,400;

4 "Department of Licenses and Inspections", \$54,000;

5 "Department of Highways", \$70,300, of which  
6 amount \$50,522 shall be payable from the highway  
7 fund;

8 "Department of Vehicles and Traffic", \$53,500  
9 (payable from the highway fund) ;

10 "Department of Sanitary Engineering", \$124,500,  
11 of which amount \$36,941 shall be payable from the  
12 water fund and \$37,487 shall be payable from the sani-  
13 tary sewage works fund;

14 "Washington Aqueduct", \$43,500 (payable from  
15 the water fund) ;

16 "National Guard", \$5,800;

17 "National Capital Parks", \$95,000;

18 "National Zoological Park", \$21,600.

#### 19 GENERAL PROVISION

20 SEC. 1402. Except where specifically increased or de-  
21 creased elsewhere in this Act, the restrictions contained with-  
22 in appropriations, or provisions affecting appropriations or  
23 other funds, available during the fiscal year 1956, limiting  
24 the amounts which may be expended for personal services,  
25 or for purposes involving personal services, or amounts which

1 may be transferred between appropriations or authorizations  
2 available for or involving such services, are hereby increased  
3 to the extent necessary to meet increased pay costs author-  
4 ized by the Act of June 10, 1955 (Public Law 68), the Act  
5 of June 28, 1955 (Public Law 94), the Act of August 5,  
6 1955 (Public Law 242), the Act of August 5, 1955 (Pub-  
7 lic Law 243), and the Act of August 5, 1955 (Public Law  
8 244).

Passed the House of Representatives March 21, 1956.

Attest:

RALPH R. ROBERTS,

*Clerk.*

Passed the Senate with amendments April 12 (legis-  
lative day, April 9), 1956.

Attest:

FELTON M. JOHNSTON,

*Secretary.*





84TH CONGRESS  
2D SESSION

H. R. 10004

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## AN ACT

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Making supplemental appropriations for the  
fiscal year ending June 30, 1956, and for  
other purposes.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 12, 1956

Ordered to be printed with the amendments of the  
Senate numbered

ject of some consideration for a considerable period of time.

Mr. President, instead of continuing at this time, I now wish to yield to the distinguished Senator from Rhode Island [Mr. GREEN], who repeatedly has requested the floor.

Mr. GREEN. Mr. President, I wish to take a few moments to read some comments on the pending measure. These comments are based on a letter which I have received from the clerk of the United States District Court for the District of Rhode Island. I shall read a part of the letter, and then request that the entire letter be placed in the RECORD. The letter relates to the proposed revision of the law regarding applications for passports. I now read from the letter:

As clerk of a United States district court, I am authorized to accept applications and empowered to administer oaths in connection with passport procedure. This is provided for in the United States Code, title 22, section 213. In performance of this duty we have had applicants who as enlisted personnel of the United States Navy were proceeding abroad under Navy orders. The processing of their applications under section 214 of the above-mentioned title requires us to collect the \$1 fee for the execution of each application for a passport. The \$9 fee for its issuance is waived under the same section, provided the applicant falls within the category above described. The point to be stressed is that it does appear an incongruous requirement wherein a fee for execution is mandatory, in view of the status of the applicant, which is that of an involuntary traveler leaving this country strictly in the performance of a duty on the business of the Government.

In the letter, reference is made to the collection of these fees, particularly as they apply to the large number of applications received from enlisted personnel, many of whom are stationed in Rhode Island, at Quonset Point. When they are sent abroad, in many instances they have to go to the clerk of this court and pay a fee of \$1.

In the letter, reference is also made to a number of other regulatory requirements.

Mr. President, I now ask unanimous consent to have the entire letter printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DISTRICT COURT,  
OFFICE OF THE CLERK,  
DISTRICT OF RHODE ISLAND,  
Providence, April 3, 1956.

HON. THEODORE FRANCIS GREEN,  
United States Senator,  
Senate Office Building,  
Washington, D. C.

DEAR SENATOR: At the request of your administrative assistant, Mr. Edward J. Higgins, I am incorporating herein some thoughts on passport application procedure with reference to any proposed revisions of the law on that subject.

As clerk of a United States district court I am authorized to accept applications and empowered to administer oaths in connection with passport procedure. This is provided for in the United States Code, title 22, section 213. In performance of this duty we have had applicants who as enlisted personnel of the United States Navy were proceeding

abroad under Navy orders. The processing of their applications under section 214 of the the above-mentioned title requires us to collect the \$1 fee for the execution of each application for a passport. The \$9 fee for its issuance is waived under the same section, provided the applicant falls within the category above described. The point to be stressed is that it does appear an incongruous requirement wherein a fee for execution is mandatory, in view of the status of the applicant, which is that of an involuntary traveler leaving this country strictly in the performance of a duty on the business of the Government.

In the Clerk's Manual issued by the Administrative Office of the United States Courts at section 11.03 is the sentence: "Clerks shall collect a fee of \$1 for their services in connection with the execution of each passport application (22 U. S. C. 213 and 214)." This appears to be the official interpretation of sections 213 and 214 on the fee requirement.

As you can well imagine the demand of the \$1 fee by a clerk is looked upon as "usurious" by an enlisted man who has been ordered to proceed abroad in the service of his country and it is with some reluctance that that fee is levied by this clerk.

There are other requirements that are regulatory in nature rather than statutory. These appear to me to be beyond the reasonable record requirements of most other Government agencies. I have specifically in mind that regulation which calls for a birth record to contain an impression seal. The director of health for the State of Rhode Island issues a certificate acknowledging the recording of the birth of an infant in this State at the time of birth. The certificate contains a printed seal which causes it to be rejected for passport purposes even though one of the notations on the reverse side of the certificate informs its holder that it can be used, among other uses, for passport purposes in establishing the nationality of the individual named. The regulation issued by the State Department to clerks of court precludes the use of such an instrument for lack of an impression seal, although all the other State Department requirements are present.

These are a few of the procedures that might bear examination in an effort to relieve some unnecessary hardship. I believe that if Congress were to make the execution fee of \$1 discretionary with clerks of court in the cases outlined above, it might be a satisfactory solution to that particular problem.

Any further information or discussion on the subject of passport application procedure will be gladly supplied by me at your request.

With kindest personal regards and best wishes, I am

Sincerely,

NEALE D. MURPHY.

Mr. GREEN. Mr. President, I now desire to submit an amendment to the bill.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). The Chair is informed that another amendment is now pending. So the amendment of the distinguished Senator from Rhode Island is not in order at this time.

Mr. HUMPHREY. Mr. President, will the Senator from Rhode Island yield to me at this point?

Mr. GREEN. I yield.

Mr. HUMPHREY. Mr. President, the amendment I offered is a technical and explanatory one. I should like to call it up now. If there is not to be extended debate on the amendment, we can dispose of it now, one way or an-

other, and then consider the amendment of the Senator from Rhode Island.

The PRESIDING OFFICER. Does the Senator from Rhode Island yield, for the purpose of permitting action to be taken on the amendment of the Senator from Minnesota?

Mr. GREEN. Yes, Mr. President; I yield for that purpose.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota [Mr. HUMPHREY].

The amendment was agreed to.

The PRESIDING OFFICER. The amendment of the Senator from Rhode Island is now in order.

Mr. GREEN. Mr. President, this amendment would appear at the end of the bill, where a new section would be added.

The PRESIDING OFFICER. If the Senator from Rhode Island will send his amendment to the desk, it will be read by the reading clerk.

Mr. GREEN. Very well, Mr. President; I now submit the amendment and send it to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill, it is proposed to add a new section, as follows:

SEC. 6. Section 1 of the act of June 4, 1920, as amended (22 U. S. C. 214), is amended (1) by striking out "And provided further" and inserting in lieu thereof "Provided further", and (2) by inserting before the period at the end thereof a colon and the following: "And provided further, That no fee shall be required hereunder by any officer or employee of the United States or any court of the United States for executing any application for a passport in the case of any member of the Armed Forces of the United States proceeding abroad in the discharge of his official duties, or any member of his immediate family."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. GREEN].

Mr. GREEN. Mr. President, I invite attention to the fact that this amendment applies to passports with respect to which the application is made before a Federal official or a Federal court. It does not apply to applications made in State courts.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Rhode Island [Mr. GREEN].

The amendment was agreed to.

#### SUPPLEMENTAL APPROPRIATIONS

Mr. JOHNSON of Texas. Mr. President, I ask the attention of the distinguished Senator from Illinois [Mr. DOUGLAS] and the distinguished minority leader [Mr. KNOWLAND]. I have previously discussed this subject with the senior Senator from Delaware [Mr. WILLIAMS]. I ask that Senators give attention to the unanimous-consent request which I am about to propound.

I ask unanimous consent that, upon the conclusion of action upon the unfinished business, the Senate proceed to



the consideration of Calendar No. 1746, House bill 10004, notwithstanding the provisions of section 139 (a) of the Reorganization Act.

The bill to which I refer is the supplemental appropriation bill. I have talked with the distinguished senior Senator from Delaware, as well as with the distinguished minority whip [Mr. SALTONSTALL], who is a member of the Appropriations Committee, and the distinguished chairman of that committee, the Senator from Arizona [Mr. HAYDEN].

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. The majority leader discussed the subject with me. The request is agreeable to me. I have discussed it with the ranking Republican member of the Appropriations Committee, and it is agreeable to him, if the request meets with the approval of the Senator from Delaware.

Mr. JOHNSON of Texas. I have sent for the Senator from Delaware, and I note that he is now entering the Chamber.

Mr. DOUGLAS rose.

Mr. JOHNSON of Texas. I yield first to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, reserving the right to object, this is another case in which sufficient notice has not been given to the Senate before an appropriation bill is brought up for action.

The rules of the Senate are very specific on this point. I read from section 190 (f) of the General and Permanent Laws Relating to the Senate:

No general appropriation bill shall be considered in either House unless, prior to the consideration of such bill, printed committee hearings and reports on such bill have been available for at least 3 calendar days for the Members of the House in which such bill is to be considered.

In other words, by the Reorganization Act of 1946, 3 days' notice is required after a bill is reported, before it may be considered by the Senate.

The calendar of business which I hold in my hand indicates that this bill, the second supplemental appropriation bill for 1956, was reported to the Senate on April 11, which was yesterday. So, in effect, what is being asked is that we should pass upon the second supplemental appropriation bill with only 1 day's opportunity to consider it, and really only a few minutes' opportunity for consideration, because not until I reached my desk a few moments ago did I have a copy of the second supplemental appropriation bill. Prior to that time I did not have any effective opportunity to obtain a copy.

If this were the first time unanimous consent was being requested to take up an appropriations bill out of order, one might acquiesce. But this has happened time and time again.

The Senator from Delaware [Mr. WILLIAMS] on the other side of the aisle, and the Senator from Illinois, on this side of the aisle, have tried to enforce the 3-day rule. The procedure is standard each time. We discover that the 3-days' notice has not been given. We give evidence of the fact that we intend

to object. Then our good friends come to us and say, "Won't you make an exception this time? There is a pressing need." Or we are told, "There are personal considerations which make it important that this bill be considered."

The Senator from Illinois, wishing to be a cooperative colleague, and, I am afraid, probably not being able to resist the blandishments and seductions of those who are more skilled in parliamentary procedures than he, always finally yields and succumbs.

The last time the Senator from Illinois yielded to such blandishments was in March, when the Treasury and Post Office appropriation bill came up. I was assured by the distinguished Senator from Virginia that if I agreed to permit that bill to be considered, it would never happen again.

The violation of this rule is, indeed, very similar to the practice of Rip Van Winkle, who took a pledge that he would never take another drop of liquor. Then, when a glass or bottle was offered to him, he would take it and say, "But we will not count this time."

So our good friends on the Appropriations Committee always profess that "This is the last time we will ever ask for an exception to the rule." The Senator from Illinois is always placed in the position of rising futilely, make some objection, and then being surrounded by his good friends, who appeal to his sense of kindness; and he yields. But I must admit that each time this happens the steel in the Senator from Illinois increases and his backbone stiffens.

There was a reason why the 3-day provision was inserted in the rules of the Senate. The reason was to afford Members of the Senate an opportunity to examine appropriation bills and determine whether or not they approved of every item.

If the Senate is to be a deliberative body the general membership should have the opportunity, and, if they believe it proper, exercise the right, to question certain items. We have full appreciation of the ability of members of the Appropriations Committee. We appreciate the hard work which they do. We also have a full appreciation of their power. Individually I know them to be gracious and kindly men. But, if we get in their bad graces, although the ax is never threatened, some time the ax may fall. So Senators are reluctant to challenge the Appropriations Committee. The tendency is to pass these huge appropriation bills, now totaling considerably more than \$60 billion a year, as they are reported from the committee.

I may say to my friends on the other side of the aisle that in the old days they used to object to appropriation bills proposed by a Democratic administration; but I do not find most of them having the same zeal for economy now that the appropriation bills are proposed by executive agencies under the control of their party. Some of the fighting zeal for economy seems to have departed from our friends on the other side of the aisle.

From time to time, when adequate notice has been given, the membership of the Senate has been able to effect

economies. I remember that the other day a point of order was raised by the distinguished senior Senator from Louisiana [Mr. ELLENDER], whose eagle eye detected the fact that there was in the appropriation bill then pending legislation which would have authorized additions to the famous "additional" Senate Office Building, to which the Senator from Louisiana and I objected. The plans seem to grow and swell with the years.

The danger of rushing appropriation bills through without adequate consideration is especially great in the case of supplemental appropriation bills or urgent deficiency appropriation bills. It is said that, "The money is needed right away, and unless it is appropriated, Government services will cease." So, in a sense, the Senate operates with a pistol at its head, held by Government departments and by the Appropriations Committee.

Mr. President, in this particular instance it is no small sum of money we are being asked to appropriate. It amounts to \$859 million. However, this is not the first supplemental appropriation bill for the current fiscal year. There was another one at the end of last year, which carried more than \$1,600,000,000, or to be precise, \$1,656,626,000.

Adding the present supplemental amount to the preceding supplemental amount, the total is two and a half billion dollars. That is not all. There was an urgent deficiency bill also. That was not a supplemental bill; apparently it was considered a special bill which had to be rushed through. That amounted to approximately \$65 million. Then there is another bill upon which the Senate will act shortly. That amounts to \$13 million.

Therefore we face the fact that more than two and a half billion dollars are being asked for in supplemental and deficiency bills, which amounts were not provided for in the original budget. That raises a very important question of budgetary procedure.

As I have sat here for some years, the suspicion has dawned upon me that frequently executive departments do not ask for all the money they intend to ask for; that they scale down their demands in the original budget and then the administration claims the credit for economies effected. Word goes out to the country of how they have cut the budget. Then in the supplemental bills, which come along later, the departments get additional sums of money, but that money never enters into the computations.

I wish to point out that the budget submitted last year, upon which the administration is taking credit for economy, is two and a half billion dollars short of the amounts which it will ask us finally to appropriate. Mr. President, a great deal of the economy in January or February in one year evaporates by the time the departments get into full swing.

Therefore I am somewhat reluctant to give consent to the consideration of the bill at this time. It is quite possible that the blandishments of the chairman of the Committee on Appropriations and of the majority leader and of the minority leader may once again cause the Senator



from Illinois, in his desire to be obliging, to give consent.

#### SCHOOL LUNCH FUND SHORTAGE

I should like to say also that along with the extraordinary sums which we are being asked to appropriate, there was one omission which struck me very markedly, and that was the failure of the supplemental budget to carry any additional funds for school lunches. The school lunch program is one of the very best ways we have of spending money, because it gives food to youngsters who need it. It builds up their vitality. It is in the truest sense of the word an investment in national resources.

Yet the school lunch program has run out of funds. In my State the program has stopped on the 7th of April. It is true that the milk program continues; but the slices of bread and the pats of butter and the carrots and potatoes and lettuce and the other vegetables, which should go with an adequate school lunch program, are no longer provided.

Mr. JOHNSON of Texas. Mr. President, the Senator from Texas has discussed the subject with the leadership on the other side of the aisle. We have fewer than a half dozen bills remaining on the calendar. We felt, since this appropriation bill was a noncontroversial bill, it could be passed this afternoon. If the Senator from Illinois has any deep feeling in the matter, and would prefer, the bill can go over until Monday. The reason we are caught up on all the bills which have been reported is that the Senator from Minnesota [Mr. HUMPHREY] was of the opinion that there was little opposition to his bill. It may have to be recommitted. If it is agreeable to the Senator from Illinois, we would like to take up the appropriation bill this afternoon.

Mr. DOUGLAS. I think it is improper time after time to violate the 3-day rule. However, the Senator from Illinois does not wish to be a "killjoy." On the other hand, I do not wish to have the rules violated so constantly.

Mr. JOHNSON of Texas. Mr. President, if the Senator will yield, I should like to say that I do not wish to debate the matter with my friend from Illinois. It is not a matter of violating any rule of the Senate, if the Senate gives its consent. The Senator from Texas is not at all anxious to take up the measure if there is any Senator who does not wish to give his consent.

I had hoped that it would meet with the approval of the Senator from Illinois, because there are several items in the bill which are quite important. However, I do not wish to be unduly persuasive with the Senator. Of course I know I could not be. If the Senator from Illinois would agree to go along with us, I would appreciate it very much. However, if he feels that he conscientiously cannot do so, very well.

Mr. DOUGLAS. May I be privileged to ask a question of the chairman of the Committee on Appropriations, the distinguished senior Senator from Arizona?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senator from Illinois may be permitted to ask a question of the Senator from

Arizona [Mr. HAYDEN] without his losing the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOUGLAS. Mr. President, I should like to ask this question of the distinguished chairman of the Committee on Appropriations, whose hard work on the committee we all very deeply appreciate. I should like to ask him whether he considered the question of appropriating additional funds for the school lunch program so that the children of the country may have the usual school lunches for the remainder of the year.

Mr. HAYDEN. That question comes up each year. Congress makes what is estimated to be an adequate appropriation for the school-lunch program. Then it turns out that perhaps some States administer the program carelessly, and some do not; or some schools participate in the program that were not in it originally; and so on. Then the cry is raised that there is not quite enough money. What is the situation the Senator has in mind?

Mr. DOUGLAS. Would the Senator correct me if I am wrong in my understanding? Am I correct, first, in understanding that for a number of years the appropriations have been about \$83 million?

Mr. HAYDEN. That is correct.

Mr. DOUGLAS. Am I to understand further that last year the Secretary of Agriculture, in the budget which he submitted, cut the figure from \$83 million to \$68 million?

Mr. HAYDEN. That is correct.

Mr. DOUGLAS. Am I to understand also that by motion on the floor the school-lunch appropriation was raised by \$15 million, to the former level of \$83 million?

Mr. HAYDEN. The correction restoring the amount was made in the House of Representatives. It come over to the Senate in the same amount as the year before.

Mr. DOUGLAS. That was done in the House by the committee, as I understand.

Mr. HAYDEN. Yes; that is correct. It was restored in the House by the committee.

Mr. DOUGLAS. Is it not correct to say that during the past few years, although the appropriation for the school-lunch program has been pegged at \$83 million, there has been a tremendous increase in the school enrollment, particularly in the lower grades; so that the same amount of money is now being used to feed a greater number of children?

Mr. HAYDEN. That is correct.

However, in addition to the amount of money appropriated in the bill under discussion, there have been very large milk donations made otherwise.

Mr. DOUGLAS. That is true with respect to milk. However, I am speaking of programs other than the milk program. Is it not true that the Secretary of Agriculture has not asked for any additional funds for the school-lunch program?

Mr. HAYDEN. That is true.

Mr. DOUGLAS. And unless he asked for it, the committee did not feel that

an increased appropriation should be made?

Mr. HAYDEN. With donations of food and other things, we assumed that the allotment provided was satisfactory.

Mr. DOUGLAS. Mr. President, I should like to point out a grave error on the part of the Secretary of Agriculture. I do not blame the Appropriations Committee, but I do blame the Secretary of Agriculture for not realizing that the number of children to be fed in schools has been increasing, and for failing to request adequate appropriations. I wish to point out, also, that Mr. Benson's request for next year of \$83 million, is also inadequate.

I am also puzzled by the fact that while it is said that he is in favor of devising new methods of disposing of agricultural surpluses, here at home is an obvious way of decreasing the surplus. I put the children first, but, of course, there is a secondary factor involved in providing additional outlets for farm products.

I should like to ask the Senator from Arizona this question: Would the Senator be willing to add \$20½ million, which is the sum needed to continue the school-lunch program for the remainder of the present fiscal year?

Mr. HAYDEN. I should first like to be sure of the amount of money which is actually needed.

Mr. JOHNSON of Texas. Mr. President, I wonder if we could not have this discussion when the bill comes before the Senate. I have two unanimous-consent requests to make.

#### REORGANIZATION OF THE PASSPORT OFFICE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that Order No. 1628, Senate bill 3340, providing for the reorganization of the Passport Office, be recommitted to the Committee on Government Operations.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

Mr. HUMPHREY. Mr. President, I shall not object.

I have discussed the matter with the chairman of the committee [Mr. McCLELLAN], but I wish to serve notice that the State Department representatives will be asked to appear before the committee tomorrow morning, and we will be prepared to report the bill next week.

The PRESIDING OFFICER. Without objection, the request of the Senator from Texas is agreed to.

#### SUPPLEMENTAL APPROPRIATIONS, 1956

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent for the immediate consideration of House bill 10004, second supplemental appropriation bill, 1956.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.



The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. DOUGLAS. Mr. President, may I ask the Senator from Arizona if he will accept an additional appropriation of \$10 million for the purpose which we have discussed?

Mr. HAYDEN. I shall give it very careful consideration after the bill is before the Senate.

Mr. DOUGLAS. Mr. President, the Senator from Arizona is a man of very cautious speed, but he also holds to his word. The gleam in his eye is kindly and friendly, and with faith in my heart that he will look upon my suggestion with favor, I withdraw any objection.

Mr. KNOWLAND. Mr. President, I assume the Senator from Illinois has indicated that he has some kind of an amendment which he wishes to offer providing for an additional expenditure of money, if not in astronomical figures, at least, in some substantial figures—

Mr. DOUGLAS. Ten million dollars.

Mr. KNOWLAND. Mr. President, I think the matter will be carefully considered by the Senate, but as a member of the Appropriations Committee, and as minority leader, I would not want the Senator from Illinois to be under any illusion that there is an advance commitment of \$5 million, \$10 million, \$15 million, or any sum over and above that recommended by the committee. Possibly we can be convinced that such a sum should be included.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas that the Senate proceed to the consideration of the supplemental appropriation bill?

Mr. WILLIAMS. Mr. President, I have examined the bill and I find only one item as to which I have any serious question. That is the item on page 4, lines 11 and 12, providing for \$30 million in connection with maritime activities. I have not been able to find adequate evidence to support this item. It is my understanding that if I permit the bill to come up at this time the provision will be eliminated.

Mr. JOHNSON of Texas. That is the understanding of the Senator from Texas, of the minority leader, and of the chairman of the committee.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, that the bill be considered as original text for the purpose of amendment, and that no points of order be waived.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Chapter I—Department of Agriculture—Agricultural Research Service—Salaries and Expenses," on page 2, line 7, after the word "Research", to strike out "\$1,217,530" and insert "\$2,217,530."

On page 2, at the beginning of line 9, to strike out "\$1,527,780" and insert "\$2,252,780", and in the same line, after the word "which", to strike out "\$500,000" and insert "\$725,000."

Under the subhead "Farmers' Home Administration—Salaries and Expenses," on page 3, at the beginning of line 11, to strike out "\$1,350,000" and insert "\$1,620,000."

Under the subhead "Commodity Credit Corporation," on page 3, line 17, after the word "to", to strike out "\$30,500,000" and insert "\$30,964,000."

Under the heading "Chapter II—Department of Commerce—Bureau of the Census—Salaries and Expenses," on page 3, at the beginning of line 23, to strike out "\$503,000" and insert "\$528,000," and in the same line, after the word "which", to strike out "\$75,000" and insert "\$100,000."

Under the subhead "Maritime activities," on page 4, after line 3, to strike out:

#### "SHIP CONSTRUCTION

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the number of cargo ships for replacement, for which payment may be made for construction differential subsidy and national defense features, is increased from 5 to 20."

On page 4, after line 12, to insert:

#### "WAR SHIPPING ADMINISTRATION LIQUIDATION

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the amount available from prior appropriations for the liquidation of certain obligations approved by the General Accounting Office and for the payment of obligations incurred against the working fund titled 'Working fund, Commerce, War Shipping Administration functions, December 31, 1946', is increased from '\$5,900,000' to '\$24,000,000.' Provided that the amount of such increase shall be available only for Court of Claims and district court judgments and payments to disabled seamen authorized by 58th Statutes at Large, page 758."

On page 5, after line 19, to insert:

#### "INDEPENDENT AGENCIES

##### "Small Business Administration

##### "Revolving fund

"For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitation, \$20,000,000."

On page 7, after line 17, to strike out:

#### "CORREGIDOR BATAAN MEMORIAL COMMISSION

##### "Salaries and expenses

"For expenses necessary to carry out the provisions of the act of August 5, 1953, as amended (67 Stat. 366 and 69 Stat. 589), \$56,000, to remain available through June 30, 1957."

Under the heading "Chapter V—Independent Offices—Civil Service Commission—Administrative Expenses, Employees' Life Insurance Fund," on page 9, line 5, after the word "to", to strike out "\$100,000" and insert "\$135,000."

Under the subhead "Federal Home Loan Bank Board," on page 9, line 18, after the word "to", to strike out "\$3,338,800" and insert "\$3,438,800."

On page 10, after line 14, to insert:

#### "ACQUISITION OF LAND AND BUILDING, CHICAGO, ILL.

"For the acquisition of the parcel of land located at 536 South Clark Street, Chicago, Ill., together with all improvements thereon and appertaining thereto, including incidental expenses, to remain available until expended, \$3,000,000, to be derived by transfer from the appropriation 'Sites and planning, purchase contract, and public buildings projects.'"

On page 10, after line 22, to insert:

#### "EXPENSES, GENERAL SUPPLY FUND

"For an additional amount for 'Expenses, general supply fund,' \$450,000, to be derived by transfer from the appropriation for 'Sites and planning, purchase contract, and public buildings projects.'"

Under the subhead "National Science Foundation—International Geophysical Year," on page 14, after the word "Year", to strike out "\$26,000,000" and insert "\$28,000,000."

Under the heading "Chapter VI—Department of the Interior—Office of the Secretary—Research in the Utilization of Saline Water," on page 16, after line 16, to insert:

#### "OIL AND GAS DIVISION

"For an additional amount for 'Oil and Gas Division,' \$35,000."

Under the subhead "Bureau of Land Management—Management of Lands and Resources," on page 16, line 23, after the word "resources", to strike out "\$800,000" and insert "\$1,200,000."

At the top of page 17, to insert:

#### "CONSTRUCTION

"For an additional amount for 'construction,' \$2 million, to remain available until expended."

Under the subhead "Bureau of Indian Affairs—Education and Welfare Services," on page 17, line 7, after the figure "\$1,871,000", to insert a colon and the following proviso: "Provided, That the Secretary of the Army is authorized and directed to transfer to the Secretary of the Interior without exchange of funds, 46 school buses presently on loan to the Bureau of Indian Affairs."

On page 17, after line 11, to insert:

#### "CONSTRUCTION

"For an additional amount for 'construction,' \$240,000, to remain available until expended: *Provided*, That the funds herein used for restoration of Indian irrigation facilities shall be nonreimbursable: *Provided further*, That not to exceed \$54,000 used for emergency reconstruction, replacement or repair of the San Carlos irrigation facilities damaged or destroyed by flood and storm in 1955 shall be nonreimbursable."

Under the subhead "National Park Service—Construction," on page 18, at the beginning of line 3, to strike out "For an additional amount for 'construction,' \$3 million," and insert "For an additional amount for 'construction,' \$360,000, to remain available until expended."

On page 18, after line 5, to insert:

#### "JONES POINT BRIDGE

"For expenses necessary for the construction of a bridge over the Potomac River pursuant to the provisions of the Act of August 30, 1954 (68 Stat. 963, 964), \$500,000, to remain available until expended: *Provided*, That the unexpended balance of the appropriation granted under this head in the Second Supplemental Appropriation Act, 1955, is hereby merged with this appropriation."

Under the heading "Chapter VII," on page 19, after line 17, to insert:

#### "DEPARTMENT OF LABOR

##### "Bureau of Employment Security

##### "Mexican farm labor program

"For an additional amount for 'Salaries and expenses, Mexican farm labor program,' \$65,000, to be derived by transfer from the appropriation 'Unemployment compensation for veterans.'"

Under the heading "Department of Health, Education, and Welfare," on page 20, after line 17, to strike out:

#### "CONSTRUCTION OF RESEARCH FACILITIES

"For construction of a laboratory building for the biological standards activities of the National Institutes of Health, and for expansion of and additional equipment for the boiler plant, including the preparation of



plans, supervision, and fixed equipment, to remain available until expended, \$3,190,000, together with not to exceed \$310,000 of the unobligated balance of funds previously appropriated under this head."

On page 21, after line 2, to insert:

**"CONSTRUCTION OF BIOLOGICS STANDARD  
LABORATORY BUILDING"**

"For construction of a laboratory building for the biologics standards activities of the National Institutes of Health, and for expansion of and additional equipment for the boiler plant, including the preparation of plans, supervision, and fixed equipment, \$3,190,000, together with not to exceed \$310,000 to be derived by transfer from 'Construction of research facilities.'"

On page 21, after line 11, to insert:

**"INCREASED PAY COSTS, CAREER INCENTIVE ACT  
OF 1955"**

"For additional amounts for appropriations for the fiscal year 1956, for increased pay costs authorized by the act of March 31, 1955 (Public Law 20), as follows:

"Assistance to States, general,' \$55,000;

"Communicable diseases,' \$55,000;

"Sanitary engineering activities,' \$70,000;

"Foreign quarantine service,' \$20,000;

"Retired pay of commissioned officers,' \$130,000;

"The Surgeon General is authorized to transfer between appropriations to the Public Health Service such amounts as may be necessary to meet increased costs authorized by Public Law 20, 84th Congress, but no appropriation shall be increased by more than \$10,000 as a result of such transfers."

Under the subhead "Social Security Administration—Grants to States for Public Assistance," on page 22, line 6, after the word "assistance," to strike out "\$47,000,000" and insert "\$50,000,000."

On page 22, after line 10, to insert:

**"NATIONAL MEDIATION BOARD"**

"For an additional amount for 'Salaries and expenses,' \$25,000, to be derived by transfer from the appropriation 'Arbitration and emergency boards,' fiscal year 1956."

Under the heading "Railroad Retirement Board—Salaries and Expenses, Railroad Retirement Board (Trust Fund)," on page 22, line 19, after the word "fund," to strike out "\$548,000" and insert "\$883,000."

Under the heading "Chapter VIII—Public Works," on page 22, after line 22, to insert:

**"TENNESSEE VALLEY AUTHORITY"**

"For an additional amount for 'Tennessee Valley Authority,' \$3,500,000, to remain available until expended."

Under the heading "Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Legal Activities," on page 24, line 14, after the word "activities," to strike out "\$500,000" and insert "\$550,000."

Under the subhead "Fees and Expenses of Witnesses," on page 24, line 20, after the numerals "\$100,000," to insert a semicolon and "and the limitation under this head in the Department of Justice Appropriation Act, 1956, on the amount available for compensation and expenses of witnesses or informants, is increased from '\$175,000' to '\$200,000.'"

Under the heading "The Judiciary—Courts of Appeals, District Courts, and Other Judicial Services—Salaries of Referees," on page 25, at the beginning of line 19, to strike out "\$6,375" and insert "\$8,375."

Under the heading "Chapter X," on page 26, after line 16, to insert:

**"POST OFFICE DEPARTMENT"**

**"Operations"**

"For an additional amount for 'Operations,' \$16 million: *Provided*, That the Postmaster General, with the approval of the Director of the Bureau of the Budget, may transfer such sums (not to exceed \$2 million) as he deems

necessary from any appropriation available to the Post Office Department for the remainder of the fiscal year ending June 30, 1956, to any other such appropriation or appropriations without regard to the limitations imposed by the first proviso contained in the paragraph under the heading 'Operations' in title II of the Treasury-Post Office Appropriation Act of 1956."

Under the heading "Chapter XI—District of Columbia—Department of Public Health," on page 27, line 19, after the word "Health," to strike out "\$130,000" and insert "\$150,000."

Under the heading "Chapter XII—Legislative Branch," on page 29, after line 14, to insert:

**"SENATE"**

"For payment to Lois Lilly Kilgore, widow of Harley M. Kilgore, late a Senator from the State of West Virginia, \$22,500."

On page 29, after line 18, to insert:

**"SALARIES, OFFICES AND EMPLOYEES"**

"Office of the Secretary: For an additional amount for the Office of the Secretary, \$2,535: *Provided*, That the basic compensation of the assistant to the majority and the assistant to the minority may be fixed by the majority the minority leaders, respectfully, at a rate not to exceed \$8,820 per annum; and that effective April 1, 1956, the basic amount available for clerical assistance and readjustment of salaries in the disbursing office is increased by \$3,000."

On page 30, after line 2, insert:

**"CONTINGENT EXPENSES OF THE SENATE"**

"Joint Committee on the Economic Report: For an additional amount for salaries and expenses of the Joint Committee on the Economic Report, \$10,914."

On page 30, after line 6, to insert:

"Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, \$600,000."

On page 30, after line 8, to insert:

"Stationery: For an additional amount of stationery, \$2,900, and the amount available for stationery for committees and officers of the Senate is hereby increased to \$12,900."

On page 30, after line 12, to insert:

**"ADMINISTRATIVE PROVISIONS"**

"The third proviso in the paragraph relating to the authority of Senators and committee chairmen to rearrange the basic salaries of employees in their respective offices or committees, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), is amended to read as follows: '*Provided further*, That Senators and committee chairmen, on or before the day on which they are to become effective, shall certify in writing such changes or rearrangements to the disbursing office of the Senate which thereafter shall pay such employees in accordance with such certifications, except that, in the case of any change or rearrangement, other than original appointments, to become effective on or after the first day and prior to the 10th day of any month, such certification may be made at any time not later than the 10th day of such month.'"

Under the heading "Chapter XIII—Claims for Damages, Audited Claims, and Judgments," on page 32, line 9, after the word "in," to insert "Senate Document No. 110 and"; and in line 11, after the word "Congress," to strike out "\$1,614,562" and insert "\$2,367,341."

Under the heading "Chapter XIV—Increased Pay Costs," on page 33, after line 11, to insert:

**"Senate:"**

"Salaries, officers and employees,' \$3,763,750;

"Contingent expenses of the Senate:

"Joint Committee on the Economic Report,' \$10,985;

"Joint Committee on Atomic Energy,' \$14,715;

"Joint Committee on Printing,' for compiling, preparing, and indexing material for the biographical directory, \$140;

"Vice President's automobile,' \$325;

"Automobile for the President pro tempore,' \$325;

"Automobiles for majority and minority leaders,' \$650;

"Reporting Senate proceedings,' \$10,925;

"Folding documents,' \$2,000;

"Inquiries and investigations,' including \$7,500 authorized by Public Law 295, 84th Congress, approved August 9, 1955, \$67,880;

"Miscellaneous items,' \$15,130.

On page 38, after line 6, to insert:

"National Mediation Board: National Railroad Adjustment Board: 'Salaries and expenses' (decrease of \$18,000 in the limitation upon the amount available for compensation and expenses of referees)."

Under the subhead "Department of Defense—Military Functions," on page 42, line 12, after the numerals "\$769,000", to strike out the comma and "to be derived by transfer from the appropriation 'Military Personnel, Marine Corps'"; in line 14, after the numerals "\$27,500", to strike out the comma and "to be derived by transfer from the appropriation 'Military personnel, Marine Corps'"; and in line 18, after the numerals "\$41,400", to strike out the comma and "to be derived by transfer from the appropriation 'Military personnel, Marine Corps'."

Under the subhead "Department of the Navy," on page 42, in line 21, after the figures "\$7,400,000", to strike out the comma and "to be derived by transfer from the appropriation 'Military personnel, Marine Corps'", and in line 24, after the figures "\$2,180,000", to strike out the comma and "to be derived by transfer from the appropriation 'Military personnel, Marine Corps.'"

Under the subhead "Department of the Interior," on page 46, line 19, after the word "maintenance", to strike out "\$162,500" and insert "\$187,500."

On page 47, line 6, after the word "expenses", to strike out "\$150,000" and insert "\$170,000."

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment.

Mr. DOUGLAS. Mr. President, I offer an amendment which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Illinois.

The LEGISLATIVE CLERK. On page 2, after line 25, it is proposed to insert the following:

**AGRICULTURAL MARKETING SERVICES**

**School-lunch program**

For an additional amount for necessary expenses to carry out the provisions of the National School Lunch Act, \$20,000,000.

Mr. DOUGLAS. Mr. President, I shall speak very briefly on the amendment. There has been approximately a 25 percent increase in school enrollment during the past few years. Yet during that period the appropriations for school lunches themselves have been kept at approximately the same figure.



In a number of the States of the Union, including my own State of Illinois, school lunches have been discontinued during the current year because of the lack of funds. In Illinois the school-lunch program was suspended on April 7.

I ask unanimous consent to have printed at this point in my remarks a letter dated March 26, 1956, from Harold A. Wolfe, director of the school-lunch program in the State of Illinois, addressed to the sponsors of the school-lunch program. The letter relates to the discontinuance of the program in Illinois.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF ILLINOIS,  
SUPERINTENDENT OF  
PUBLIC INSTRUCTION,  
Springfield, March 26, 1956.

DEAR SPONSOR: Due to a limited apportionment of Federal funds for reimbursement for type A lunches, and a decided increase in participation, the State agency finds that these funds will be exhausted after approximately 7 operating days in the month of April. Therefore, only a percentage ratio of the type A indemnity will be paid for April's operation.

This in no way affects funds available for the special milk program which will be sufficient to assure the current indemnity rates for the balance of this school year.

Even though this situation exists and the schools will not receive indemnity for type A lunches for the balance of the school year, the Federal agency has notified us that claims must be filed in the same manner, and the same records maintained for the balance of the school year for the following reasons:

1. To assure continued distribution of Government donated food commodities for the balance of the school year.
2. To provide the State agency with the necessary records to comply with the 3 to 1 matching requirements that exist for this 1955-56 fiscal year.
3. To keep the present agreement in effect to avoid any misunderstanding for the next school year's participation.
4. To assure continued reimbursement in the special milk program for the balance of this current school year.

Therefore, the State agency takes this opportunity to impress the sponsors of the type A programs of the necessity of maintaining proper records and of filing their claim forms in the same fashion that they have previously, even though they will only receive a portion of their reimbursement for the month of April and none thereafter for this current school year.

In order to avoid any delay, we would appreciate the cooperation of each sponsor in properly preparing the remaining claim forms for this school year as outlined above.

Very truly yours,

HAROLD A. WOLFE,  
Director, School Lunch Program.

Mr. DOUGLAS. Mr. President, I sincerely hope the amendment will be agreed to.

Mr. NEUBERGER. Mr. President, I support the amendment offered by the distinguished Senator from Illinois. The State of Oregon, which I have the honor, in part, to represent, happens to have had one of the largest proportionate increases in school-child population of any State in the entire Nation during the past few years. As a result, in many sections of the State, I have been informed, the school-lunch program has

had to be abandoned entirely because the amount of money available per child per meal has become so small that it is virtually infinitesimal when compared with the amount which is necessary to provide adequate lunches for the children.

Therefore, it seems to me it is incumbent upon Congress to provide some auxiliary funds for the school-lunch program, and I am very much pleased that the Senator from Illinois has seen fit to offer an amendment to accomplish that purpose.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. HAYDEN. Mr. President, what is the amount provided in the amendment?

Mr. DOUGLAS. The amount suggested by me is \$20 million.

Mr. HAYDEN. I am certain the Senator from Illinois is aware of the fact that recently there was included in another bill a provision for an additional quantity of milk for the school-lunch program.

Mr. DOUGLAS. I am aware of that. This amount would not be for the milk program; it would be for the school-lunch program. Excellent as milk is, some additional calories are needed.

Mr. HAYDEN. A half pint of milk is provided in the program at present.

Mr. DOUGLAS. I think that is correct.

Mr. HAYDEN. The Senator wants to make certain that enough milk is made available so as to provide a half pint, as has been the practice in the past.

Mr. DOUGLAS. I am, of course, interested in milk; but I think also that carrots, lettuce, and other green vegetables are needed. So I would not like to see the school-lunch program reduced merely to a milk program. Like the Senator from Vermont [Mr. AIKEN], I am for milk; but I am for milk plus.

Mr. HAYDEN. This would be a cash contribution; it could be used for any purpose.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. HOLLAND. I should like to ascertain whether any showing has been made that an additional \$20 million is required to keep the school lunch program in operation for the remainder of this year. This is a supplemental appropriation bill. The appropriations made by the bill for this purpose, if any, will be expended in the remaining portion of the year, will they not?

Mr. HAYDEN. That is correct.

Mr. HOLLAND. I should like to ask if any Senator has information as to the amounts which will be needed to fill out the program for the remainder of the school year; and whether \$20 million is too great a sum, a sufficient sum, or an insufficient sum for that purpose.

Mr. HAYDEN. I was about to suggest to the Senator from Illinois that not having the complete data on the subject, perhaps he might suggest half the amount he has proposed—say, \$10 million. Then it could be determined in conference whether the funds could

come from cash or could be provided by the Commodity Credit Corporation.

Mr. DOUGLAS. That is perfectly satisfactory to me. I merely point out that about 8 weeks still remain in the normal school term. In a great many States, school lunches have ceased completely. Unless funds shall be added to the bill, probably there will be no more school lunches this year in a large portion of the country. Therefore I hope something will be done to remedy the condition. However, I am perfectly willing to accept \$10 million instead of \$20 million, with the understanding that the committee of conference will look into the matter at greater length.

Mr. HAYDEN. We will certainly inquire of the Department of Agriculture as to the exact situation in each State as the Department knows the situation to be. The Department will give us the facts on which to work. As to the matter of providing funds, we can then determine whether they will come from cash or from the Commodity Credit Corporation.

Mr. ELLENDER. The funds would have to come from a direct appropriation. As the Senator knows, a few weeks ago Congress provided \$10 million for the milk fund. That amount will come from Commodity Credit Corporation funds. But this particular amount must be a direct appropriation.

Mr. HAYDEN. We can ascertain all the facts in the committee of conference.

Under the circumstances, I shall be glad to accept an amendment providing for \$10 million, if the Senator from Illinois will modify his amendment to that extent.

Mr. DOUGLAS. I shall be glad to modify my amendment accordingly.

The PRESIDING OFFICER. Does the Senator from Illinois modify his amendment so as to provide for \$10 million instead of \$20 million?

Mr. DOUGLAS. I do.

Mr. SALTONSTALL. As a member of the committee, am I not correct in my understanding that there has been no request made of Congress by the administration for this amount? The House provided nothing for this item, and the Senate Committee on Appropriations has not considered it in any way.

Mr. HAYDEN. That is correct.

Mr. SALTONSTALL. I want to see the school lunch program carried forward just as everybody else does, but, as the Senator from Florida has said, it should be carried forward in an orderly way. If it is the understanding of the chairman of the committee that the item appropriating additional \$10 million will be taken to conference in order to get data concerning the program, that is satisfactory. I should like to make it clear, as one prospective conferee, that if it is found out later that the money is not needed, or that it will be provided in another supplemental appropriation bill, we shall use our best judgment as to whether the item shall stay in or out of the bill.

Mr. HAYDEN. Mr. President, all I have promised the Senate is that we shall get the facts, and we shall have \$10 million to work on until we get the facts.



Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. DOUGLAS. Let me add one fact to the pile of facts the Senator is going to accumulate, namely, that the Federal contribution to the States where the program has been carried out has been reduced from about 9 cents to 5 cents a meal. For some reason or other, the Secretary of Agriculture does not seem to look with favor on the school lunch program. If we wait until he becomes an advocate of it, we shall wait for a long time. In the meantime children are going to be hungry. I think it is entirely proper for the Senate as a whole to legislate on the matter, and that we should not wait merely until the Secretary's recommendations are handed down. Furthermore, I want to state that in my own State of Illinois, funds for the current year have been exhausted. This is true of some other States as well.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. AIKEN. I wish to support the amendment offered by the Senator from Illinois. I do not know whether \$10 million is the right amount or not. I assume the conferees will determine what the right amount is and settle on that figure. Also, if more money than is needed is appropriated, it will revert to the Federal Treasury on the first of July.

I also wish to say that it looks rather bad when a statement is made that the Federal contribution per meal has been reduced from 9 to 5 cents a pupil. I point out that during the past few years far more in the way of appropriations and commodities have been made available to school-lunch programs than were ever made available before. As I understand the reason for the reduction in the per capita allowance, it is that the people of the United States have been freed from the threat of war, and there has been a greatly increased interest in community affairs. Among community interests perhaps none has been of more benefit than the school-lunch program. The result is that there are thousands of schools participating in the lunch programs now, which, when we were engaged in war, had to be interested in other matters. There is the tremendous interest in community affairs which people can have when they are freed from the threat of war, and there result programs such as the school-lunch program. Consequently, although record appropriations have been made during the past few years for the school-lunch programs, the amounts appropriated have turned out to be inadequate, and some States are short of funds, and some communities in some States are short of funds. So I am glad to be in favor of the amendment.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. SALTONSTALL. The Senator from Vermont is a close friend of the present Secretary of Agriculture, and has been with him on many, many occasions. There is certainly no evidence that the present Secretary is against the school-lunch program, is there?

Mr. AIKEN. None whatsoever. The Secretary of Agriculture has to cut the cloth to fit the condition. I do not think that is quite the way to say it, but there has been such a tremendous increase in the school-lunch program that, necessarily, he has had to reduce the amount available to each pupil.

I hope the Appropriations Committee, in making the appropriation for next year, will anticipate, so far as possible, what the requirements for fiscal 1957 will be, and will make adequate appropriations.

Mr. HAYDEN. The Senator can be sure that the Senator from Georgia will take the matter up. Hearings on the agricultural appropriation bill will start next week.

Mr. AIKEN. I know that will be done. For years there has not been a vote against an appropriation for the school-lunch program in either House. So far as I know, the appropriations bills have been going through both Houses without a dissenting vote. If one of us has made a mistake on the amount appropriated, the other 95 Senators have also made a mistake.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois, as modified.

The amendment, as modified, was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. WILLIAMS. Mr. President, I send an amendment to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment of the Senator from Delaware will be stated.

The CHIEF CLERK. On page 4, it is proposed to strike out lines 10, 11, and 12, as follows:

#### OPERATING-DIFFERENTIAL SUBSIDIES

For an additional amount for "Operating-differential subsidies," \$30,000,000, to remain available until expended.

Mr. WILLIAMS. Mr. President, I shall speak very briefly on the amendment. First, I wish to comment on the previous action of the Senate. The Senator from Illinois made a rather eloquent address in the Senate a few moments ago with regard to the fact that the 84th Congress is giving very little, if any, attention to reducing the appropriation bills. He gave the Senate a rather strong lecture on the need for economy; however, I cannot refrain from calling the attention of my good friend from Illinois to the fact that there is a slight inconsistency between his remarks and the action of the Senate in accepting his amendment. I call attention to the fact that the action of the Senate a few minutes ago in accepting the amendment of the Senator from Illinois, which provided for an appropriation of \$10 million, was for an item as to the need for which there was not one bit of evidence, either before the Appropriations Committee or before the Senate as based upon the statement of the Senator from Illinois. That is a glaring instance of fiscal irresponsibility to which the Senator from Illinois has referred. I most respectfully recommend that my friend read his own lecture.

Mr. President, the amendment which I am offering strikes out an appropriation of \$30 million for operating-differential subsidies for the merchant marine. The reason I am offering the amendment is that in the bill and the report there is no data which would support the item. I have discussed this with members of the Committee on Appropriations and understand there is agreement to accept my amendment. This amendment would reduce the appropriation by \$30 million.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware on page 4, to strike out lines 10, 11, and 12.

Mr. HAYDEN. Mr. President, we accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 10004) was read the third time and passed.

Mr. HAYDEN. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. YOUNG conferees on the part of the Senate.

Mr. ELLENDER subsequently said: Mr. President, I regret very much that while the second supplemental appropriation bill was being considered by the Senate, I was called off the floor. It was my desire to invite the attention of the Senate to another appropriation of \$600,000 for inquiries and investigations. It will be recalled that a total of \$900,000 was added to the \$1,224,000 that was provided in the regular appropriation bill, bringing the total as of that time to \$2,124,000. I wish to call the Senate's attention to the fact that for 1955 the entire amount of money that was appropriated and spent for inquiries and investigations amounted to \$2,059,150. With the appropriation that is carried in this second supplemental appropriation bill the sum of money that will be spent this fiscal year for inquiries and investigations will total \$2,724,000.

That is almost three-quarters of a million dollars more than was spent last year. I wish to point out that the Committee on Appropriations has very little control over these appropriations, because the expenditures are made and authorized by the Senate, irrespective of what amount happens to be in the contingent fund. The fact is noted on page 21 of the report on the second supplemental appropriation bill.

It strikes me, Mr. President, that it is high time that those committees which



require such huge sums for their so-called inquiries and investigations should be required to appear before the Appropriations Committee to justify and prove their case before money is made available to them.

It is my hope, Mr. President, that in the light of these huge expenditures for inquiries and investigations, a little more attention will be paid to the actual necessity for some of these appropriations, not only by the Committee on Rules and Administration, but by the committees which instigate these investigations. It is also my hope that instead of resolutions for investigation expenditures being referred only to the Committee on Rules and Administration by committees of the Senate which seek authority for these investigations, the Appropriations Committee will be permitted to have a say in the matter. I hope to propose the adoption of such a procedure in the next session of the Congress. After all, Mr. President, if the Committee on Appropriations is to fully perform its tasks, it should be permitted to pass upon the need for additional funds. It should not be required to merely rubber-stamp a fait accompli.

#### ORDER FOR RECESS TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in recess until Monday next, at 12 o'clock meridian.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### PARTICIPATION BY THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION AND INTERNATIONAL LABOR ORGANIZATION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Order No. 1184, Senate Joint Resolution 97, and that it be made the unfinished business.

The PRESIDING OFFICER. The joint resolution will be stated by title, for the information of the Senate.

The CHIEF CLERK. A joint resolution (S. J. Res. 97) to amend certain laws providing for membership and participation by the United States in the Food and Agriculture Organization and International Labor Organization and authorizing appropriations therefor.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the joint resolution.

Mr. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to say it is not contemplated that any further business will be transacted today. Under the order previously entered, when the Senate concludes its business today, it will recess until Monday next. It may be that on Monday the unfinished business will be set aside, but I

desired to have some business pending, and for that reason I made the request which I have just made.

#### DISTORTED PICTURE DRAWN BY SMALL BUSINESS ADMINISTRATION'S REPORT ON SMALL BUSINESS

Mr. MORSE. Mr. President, I wish to make a brief statement regarding a distorted picture which has been drawn by the Small Business Administration's report on small business.

I am chairman of the Small Business Subcommittee of the Committee on Banking and Currency. This subcommittee is primarily concerned with legislation governing the program of the Small Business Administration. In the last session of this Congress we acted upon bills to extend and modify the Small Business Act of 1953, and during the early weeks of the present session we reported proposed legislation to expand the disaster loan activity of the Small Business Administration. As Chairman of the Small Business Subcommittee, I maintain a continuing interest in the Small Business Administration; and I feel it a duty to discuss with the Senate a recent action by that agency.

Section 215 of the Small Business Act of 1953 requires that once every 6 months the administration shall make a report upon the activities of the agency, and shall include, among other things, "such comments and recommendations as the administration may deem appropriate." I have before me the Fifth Semiannual Report made by the Small Business Administration; and if the total import were not so tragic, I would be greatly amused by the "comments" deemed "appropriate" in this fourth year of the great Eisenhower crusade.

Mr. President, this document was released on April 2, 1956, with all the fanfare of a soap salesman's announcement of a new product which will wash clothes without getting them wet. I have come to expect exaggerated claims of success from the present caretakers of the executive branch, and it seems that they will never learn the old maxim about not fooling all of the people all of the time.

Mr. President, I am not fooled by this phony advertisement; and I want to spread on the RECORD the dismal picture of how well a big-business administration functions as a small-business undertaker. I shall concentrate on five fantastic claims, supported by half-truths, appearing in the Fifth Semiannual Report of the Small Business Administration.

The principal theme of the report is stated on page 1, as follows:

The improvement in the position of small business which took form in mid-1954—after a decline in small-business health over several years—continued through the second half of 1955.

The report attempts to support this theme by various economic indicators.

The first supporting statement is that:

Throughout most of 1955 the trend of business failures was downward.

Let us look at the facts. Here are the statistics on business failures for the last 6 years—President's Economic Report of January 24, 1956, page 231:

1949	9,246
1950	9,162
1951	8,058
1952	7,611
1953	8,862
1954	11,086
1955	10,969

I think that anyone looking for the true significance of these figures could draw three very simple conclusions:

First. The number of business failures was dropping steadily from 1949 through 1952; in fact, the number of failures in 1952 was almost 18 percent lower than the number in 1949;

Second. The number of business failures has been rising significantly from 1952 through 1955; in fact, the number of failures in 1955 was over 44 percent higher than the number in 1952; and

Third. In no year since 1941 have there been more business failures than there were in 1954 and 1955.

Based on these facts, I think the report could have more properly stated that "Although there were 117 fewer business failures in 1955 than there were in 1954, 10,969 failures is alarmingly high. Since virtually all of these failures occur among small businesses, vigorous action is necessary to halt the rising failure rate which began in 1953."

The second supporting statement in the report is that:

New business incorporations hit a new peak.

Mr. President, everyone knows that our economy is expanding, and that it must expand to accommodate our rising population and our enormous responsibilities in a troubled world. Thus, a realistic indicator of the expansion of our economy is not the number of "new business incorporations", but is the net increase in the number of active business firms. Here are the facts, as revealed on page 231 of the President's Economic Report of January 24, 1956:

Year:	Net increase of operating businesses
1949	52,000
1950	50,000
1951	58,000
1952	59,000
1953	26,000
1954	-4,000
1955	( <sup>1</sup> )

<sup>1</sup> Not available.

Although final figures for 1955 are not available, it appears that the increase in business firms for 1955 will be no higher than that in 1953.

Here are the tragic conclusions which must be drawn from these statistics:

First. From 1949 through 1952, the number of operating businesses was increasing at a rate commensurate with the necessary expansion of our competitive economy, and the average increase was about 55,000 for these 4 years;

Second. Beginning in 1953 the increase in the number of operating businesses declined over 50 percent; and in







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued April 17, 1956  
For actions of April 16, 1956  
84th-2nd, No. 61

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HIGHLIGHTS: House received President's veto message on farm bill. Rep. Laird and others commended President's veto of farm bill. House sent supplemental appropriation bill to conference. House passed bill to regulate coloring of oranges. Several Senators commended and others criticized President's veto of farm bill. Senate debated bill to increase U. S. contributions to FAO. Senate committee reported bill providing construction of small flood-control projects. Sen. Kerr and 6 Reps. introduced, and Rep. Edmondson discussed, bills to control destructive aphids.

## HOUSE

1. FARM PROGRAM. Received the President's veto message on H. R. 12, the farm bill (H. Doc. 380). Majority Leader McCormack scheduled further consideration of the message for Wed., Apr. 18. p. 5686  
Rep. Laird commended the President's veto of H. R. 12, the farm bill, and cited the dairy industry's indebtedness to the President for his action. He inserted a letter to the President from Reps. Smith, Byrnes, Davis, Withrow, Van Pelt, and himself (all of Wis.) commending the President's action. p. 5727
2. APPROPRIATIONS. Conferees were appointed on H. R. 10004, the supplemental appropriation bill. p. 5679 Senate conferees were appointed on Apr. 12.
3. FLOOD CONTROL. Rep. Davis, Tenn., announced the schedule of consideration of certain flood control projects in hearings to be held by the Flood Control Subcommittee of the Public Works Committee. p. 5681
4. FARM LOANS. Rep. Keating inserted a letter from the Farmers Production Credit Association of Western New York supporting H. R. 10285, H. R. 10286, H. R. 10315, and S. 3564, all relating to production credit banks and associations. p. 5683



5. SURPLUS COMMODITIES. Rep. Hill noted with approval the increased disposal of farm surpluses by this Department to domestic and foreign programs. p. 5684
6. LAND TRANSFER. Passed over, at the request of Rep. Aspinall, H. R. 6815, to provide for the orderly disposition of certain lands acquired under Title III of the Bankhead-Jones Farm Tenant Act. p. 5688
7. RECORDS. Passed over, at the request of Rep. Cunningham, S. 2364, to permit GSA to prescribe policies and principles (instead of merely developing standards, as provided in existing law) to be followed by Government departments and agencies in connection with records management, and to authorize GSA to direct and effect the transfer to the National Archives of any Federal records that have been in existence for over 50 years. p. 5688
8. FRUITS. Passed as reported H. R. 7732, to amend the Federal Food, Drug, and Cosmetic Act so as to provide for the regulation of the use of coal tar coloring for the outside of certain oranges. p. 5696
9. ACCOUNTING; BUDGETING. Both Houses received from this Department a report of the over-obligation of two allotments by the USPA; to the Appropriations Committees. pp. 5616, 5731
10. RECLAMATION. Received from the Interior Department a report on the Little Wood River project, Ida. (H. Doc. 381); to the Interior and Insular Affairs Committee. p. 5731
11. CROP INSURANCE. Received from the Comptroller General a report on the audit of the FCIC for the 1955 fiscal year (H. Doc. 382); to the Government Operations Committee. p. 5731
12. PERSONNEL. Conferees were appointed on H. R. 5862, to confer jurisdiction upon the U. S. District Courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation. p. 5679

SENATE

13. FARM PROGRAM. Several Senators commended and others criticized the President's veto of H. R. 12, the farm bill. pp. 5644, 45, 56, 62
14. FAO. Began debate on S. J. Res. 97, which increased the ceiling on the U. S. annual contribution to FAO from \$2 million to \$3 million. Agreed to an amendment by Sen. Mansfield which provides that payments by the U. S. to the FAO and to the International Labor Organization shall not exceed  $33\frac{1}{2}$  percent of the total assessed budget of those organizations. pp. 5645, 63
15. FLOOD CONTROL. The Public Works Committee reported without amendment S. 3272, to increase and make certain revisions in the general authorization for small flood-control projects. (S. Rept. 1732). p. 5625
16. APPROPRIATIONS. The Appropriations Committee was authorized to file its report on H. R. 9390, the Interior Department appropriation bill, during recess of the Senate on Tues. (p. 5645). The subcommittee reported this bill to the full Committee (p. D340).



# House of Representatives

MONDAY, APRIL 16, 1956

The House met at 12 o'clock noon.

The Reverend Myron C. Cole, D. D., First Christian Church, Portland, Oreg., offered the following prayer:

Almighty God, in whom we live and move and have our being, grant Thy divine benediction upon us. As the builders of a great nation we have inherited that which is truth, beauty, and goodness; therefore, impel us ever forward with the motives upon which our Nation was founded and that which will make America great.

Our Heavenly Father, forgive us where we err. Let us not indulge in pious phrases, but let us be ever bound together in the search for the truth which makes men free and we will give Thee the honor and the glory.

We pray for the leaders of our Nation. Bestow upon them honor, integrity, and all that which is of Thy nature and will bring Thy will upon the earth.

Through Jesus Christ our Lord. Amen

## THE JOURNAL

The Journal of the proceedings of Thursday, April 12, 1956, was read and approved.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On April 6, 1956:

H. R. 374. An act to authorize the adjustment and clarification of ownership to certain lands within the Stanislaus National Forest, Tuolumne County, Calif., and for other purposes;

H. R. 1082. An act for the relief of Golda I. Stegner;

H. R. 1855. An act to amend the act approved April 24, 1950, entitled "An act to facilitate and simplify the work of the Forest Service, and for other purposes";

H. R. 2946. An act for the relief of Eugene Dus;

H. R. 3233. An act to amend title 18 of the United States Code, so as to make it a criminal offense to move or travel in interstate commerce with intent to avoid prosecution, or custody or confinement after conviction, for arson;

H. R. 5889. An act to provide for the conveyance of certain lands of the United States to the town of Savannah Beach, Tybee Island, Ga.;

H. R. 6461. An act to amend section 73 (i) of the Hawaiian Organic Act;

H. R. 6463. An act to ratify and confirm section 539, Revised Laws of Hawaii, 1945, section 1 (b), Act 12, Sessions Laws of Hawaii, 1951, and the sales of public lands consummated pursuant to the terms of said statutes;

H. R. 6574. An act to amend section 2 of title IV of the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937 (50 Stat. 680), as amended;

H. R. 6625. An act to provide for the transfer of title to certain land and the improvements thereon to the Pueblo of San Lorenzo (Pueblo of Picuris), in New Mexico, and for other purposes;

H. R. 6807. An act to authorize the amendment of certain patents of Government lands containing restrictions as to use of such lands in the Territory of Hawaii;

H. R. 6808. An act to amend section 73 (1) of the Hawaiian Organic Act;

H. R. 6824. An act to authorize the amendment of the restrictive covenant on land patent No. 10,410, issued to Keoshi Matsunaga, his heirs or assigns, on July 20, 1936, and covering lot 48 of Ponahawai house lots, situated in the county of Hawaii, T. H.;

H. R. 7236. An act to amend section 8 (b) of the Soil Conservation and Domestic Allotment Act with respect to water conservation practices;

H. R. 8100. An act to authorize the loan of two submarines to the Government of Brazil; and

H. J. Res. 112. Joint resolution to release reversionary right to improvements on a 3-acre tract in Orangeburg County, S. C.

On April 9, 1956:

H. R. 1892. An act for the relief of Dr. Lu Ho Tung and his wife, Ching-hsi (nee Tsao) Tung.

On April 10, 1956:

H. R. 1005. An act for the relief of Alice Duckett;

H. R. 1495. An act for the relief of Joseph J. Porter;

H. R. 1667. An act for the relief of Lieselotte Boehme; and

H. R. 4039. An act for the relief of Julian, Dolores, Roldan, and Julian, Jr., Lizardo.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 3481. An act to amend the Foreign Service Act of 1946, as amended, and for other purposes; and

S. Con. Res. 36. Concurrent resolution requiring conference reports to be accompanied by statements signed by a majority of the managers of each House.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4909. An act relative to the consolidation of the National Tax Association, a corporation, organized under the laws of the District of Columbia, with the Tax Institute, Inc., a corporation organized under the membership corporations law of the State of New York, in accordance with the applicable provisions of the membership corporations law of the State of New York.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 10004. An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HAYDEN, Mr. RUSSELL, Mr. CHAVEZ, Mr. ELLENDER, Mr. BRIDGES, Mr. SALTONSTALL, and Mr. YOUNG to be the conferees on the part of the Senate.

## SUPPLEMENTAL APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. CANNON, KIRWAN, WHITTEN, PRESTON, RABAUT, TABER, WIGLESWORTH, JENSEN, and CLEVINGER.

## THE ADJUDICATION OF CERTAIN CLAIMS OF FEDERAL EMPLOYEES

Mr. FRAZIER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5862) to confer jurisdiction upon United States district courts to adjudicate certain claims of Federal employees for the recovery of fees, salaries, or compensation, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. FRAZIER, TUCK, and HILLINGS.

## THE STATE OF ISRAEL

(Mr. ROONEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROONEY. Mr. Speaker, I am privileged today to extend congratulations to the Israeli people upon the occasion of the eighth anniversary of the



establishment of the State of Israel as a free and independent nation.

Events in the intervening years have proved that the friendship between Israel and the United States has been one of the vital partnerships in the free world. On this historic day we are reminded of the fact that in a brief span of 8 years the State of Israel has made tremendous social, political, and cultural gains and is today recognized as a bulwark of democracy, and has proved to be our faithful and loyal ally in the Middle East.

The astounding progress made in this relatively short period of time has electrified the world, as it was achieved in the face of an uphill fight against what appeared to be insurmountable obstacles. The people of Israel have conclusively demonstrated their devotion to a cause demanding rigid austerity and great sacrifices.

The Government of Israel must continue to have the encouragement and help of our country. I have always derived great satisfaction in supporting legislation extending assistance to the valiant people of this young nation.

We are all aware of the fact that there is presently an alarming situation in the Middle East which affects not only the security of the United States but the peace and tranquillity of the entire free world. The security of the State of Israel and the stability of the Middle East are vital to the defense of the free world against Communist aggression and are consequently American interests of the highest priority.

I am convinced that we must take immediate preventive action to overcome the threats of war in that vital region of the world. The first and most essential step would be to permit Israel to purchase defensive arms in this country to counterbalance the delivery of Soviet arms to Egypt.

This administration should immediately consider entering into a mutual security pact with Israel and should institute a complete and immediate investigation of all aspects of our Middle East policy with a view to resisting Communist imperialism in that vital area of the world.

#### LOSSES FOR SALE

(Mr. HUDDLESTON asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. HUDDLESTON. Mr. Speaker, the other day one of my constituents mailed me a copy of a communication to stockholders from the chairman of the board of Botany Mills, seeking proxies for approval of a recapitalization plan for the company. Upon obtaining the necessary number of proxies, Botany's management proposed to acquire a profit-making, taxpaying company. It was anticipated that Botany's losses could then be deducted from the other company's profits so that neither would pay any taxes.

Our most important asset—

Said the chairman of Botany Mills in his request for proxies—  
is our Federal tax loss carry forward of over \$13 million.

The loser in this operation is the United States Treasury and the taxpayers of the Nation.

The foregoing is no isolated example of smart management or sharp lawyers taking advantage of a hitherto undisclosed loophole in the tax law. For a decade and a half, deals of this kind have been in progress. And the practice goes on. A perfectly legitimate section of the tax law designed to permit the losses of 1 year to offset the profits of preceding and succeeding years, is being perverted by speculators who have seized upon the merger device to offset the gains of one corporation with the losses of another.

The result is that the Government loses money, or the legitimate burdens of one group of taxpayers are shifted to other taxpayers already shouldering their fair share. Another consequence is that the merger movement is accelerated beyond reasonable needs. This often results in the closing of mills, creation of unemployment, demoralization of whole communities. In addition, this unwholesome practice is laying the foundation for further disrespect for the tax law. It adds to the growing feeling that our high tax rates are but a sham designed to spring the trap on the unwary and those whose taxes are withheld at the source, but to allow the well-informed schemer a loophole through which he can escape.

Lest you think that the example I cited is an isolated one, I refer you to almost any issue of the Wall Street Journal. Here are some advertisements that appeared last Monday:

Three hundred thousand tax loss carryover for sale or merger.

For sale or merger: Long-established truck and trailer parts company—good expansion potential—tax loss.

The composer of an advertisement the week before must have had his tongue in his cheek as he wrote that he would sell his large tax loss at a sacrifice:

For sale: Finest fancy grocery and liquor business. Large tax loss carryover. Sacrifice for quick sale.

The opening paragraph of an article in a commercial journal recently had this to say:

Prior to the passage of the 1954 Internal Revenue Code, businessmen and their lawyers in seeking to acquire corporate ventures were often confronted with the anomalous situation that the purchase price of a business increased in inverse proportion to its success in operation, i. e., the greater the operating losses the higher the asking price. The answer to this financial paradox quite obviously is found in the tax benefits afforded the purchaser by the loss carryover provisions of the then existing revenue laws.

Let us briefly look at the law which makes possible this deviation from normalcy. The Congress long ago recognized that there was a problem to be dealt with. For more than 15 years, the law has permitted the Commissioner of Internal Revenue to disallow any deduction, credit, or other allowance where the principal purpose of the acquisition of another corporation is the evasion or avoidance of Federal income tax. The originators of this provision thought they had licked a rapidly growing practice for avoiding wartime income and excess-

profits taxes. The trouble was, however, that the courts would not agree with the Commissioner as to when the principal purpose of the acquisition was the evasion or avoidance of taxes. In the 1954 revision of the Internal Revenue Code, further steps in the tightening-up process were taken. The new law established a prima facie presumption that the principal purpose is tax evasion of avoidance where the consideration paid in acquiring a corporation or its property is substantially disproportionate to the tax basis of the property acquired plus the tax value of other benefits, such as loss carryovers. The law also denied the carryover if all of the three following factors exist: First, if 50 percent or more of a corporation's stock changes ownership during a period of 2 years; and, second, such change occurs as a result of a purchase or redemption of stock; and, third, the corporation does not continue to carry on a trade or business substantially the same as before the stock-ownership change.

That the new law does not go far enough is amply evidenced by what I have just said and quoted. If any further proof is needed, let me cite the opening words of an address before the eighth annual Federal tax conference of the University of Chicago Law School:

Despite the sustained efforts of the Treasury Department and the Congress to prevent the use of loss corporations for tax avoidance, corporations with large operating loss carryovers continue to be sold at a premium.

It is my conviction that the Treasury and the tax-writing committees of the Congress are still not prepared to go far enough to protect the rights of the taxpayers of the Nation. Those of us who like to see independent small businesses preserved and who fear the steady rise in mergers and consolidations, look with concern on these mergers and consolidations which are inspired by the operation of the tax law. We are concerned, too, with the effect on the spirit of enterprise itself. It is, indeed, unwholesome when a company which has a bad year or two, instead of trying to work out its own problem and get back on to the black side of the ledger, turns instead to an effort to make a good deal at the expense of the Government just by selling out or merging with someone in search of a tax situation.

It is my firm conviction that income taxes should apply to all who have income. No corporation should be permitted to avoid its fair share by selling to, or buying out, another corporation just because it has a tax loss. Fair taxation involves paying taxes on profits earned by corporations; it abhors their ability to escape the payment of taxes by manipulation of capital structure. I call on the Treasury Department and the tax-writing committees of this Congress to draft a tax law which will preserve the legitimate deduction of losses by corporations which have suffered them, but will at the same time prevent tax-inspired mergers which must offend the conscience of any right-thinking man. Congress should make it impossible for any corporation to boast that our operating loss is our most important asset.







May 11, 1956

from the farm where the poultry was raised to a dressing plant for processing; and (2) livestock (other than poultry) sold on account of drought, which was held by a taxpayer for draft, breeding, or dairy purposes in excess of the number the taxpayer would sell if he followed his usual business practices, shall be treated as an involuntary conversion for tax purposes if the President determines that a major disaster exists because of drought and the Secretary of Agriculture finds the area eligible for emergency assistance, and the livestock are sold solely on account of such drought.

HOUSE

3. AGRICULTURAL APPROPRIATION BILL, 1957. The Appropriations Committee reported without amendment this bill, H. R. 11177.

Representatives of the Department agencies have been advised in detail of the Committee's actions on the estimates for the Department. Copies of the bill, committee report, and hearings will be distributed directly to the agency budget offices, as soon as received, pursuant to a distribution list that has been worked out with the Department agencies. The agencies will receive the material at the same time this office will receive it. The material will not be distributed from this office. In general, copies should be obtained from the agency budget offices rather than from this office.

At the end of this Digest is a summary comparison of the Committee actions with the 1957 estimates and with total anticipated funds available in 1956.

4. SUPPLEMENTAL APPROPRIATIONS. The conferees reported H. R. 10004, the Second Supplemental Appropriation Act, 1956 (Report No. 2149).

Action on the items for this Department is indicated in the attached table.

PRINTED HEARINGS RECEIVED IN THIS OFFICE.

5. AGRICULTURAL APPROPRIATIONS FOR 1957. Agricultural Subcommittee of House Appropriations Committee, Part 4: Statement of the Secretary, Application of Atomic Energy to Rural Electrification Program, Agriculture Research Service (Amendments to the Budget), Commodity Stabilization Service, Soil Conservation Service, Agricultural Conservation Program Service, Language Changes and General Provisions, and Statements of Members of Congress. (Copies of these hearings have been distributed to the budget officers of the various agencies of the Department, pursuant to a distribution list that was prepared in cooperation with the agencies. Copies are not available from the Legislative Reporting Staff. A small reserve supply, to meet emergency needs, is available in the Division of Estimates and Allotments, Ext. 5901.)



EXCERPTS FROM THE COMMITTEE REPORT ON THE DEPARTMENT OF AGRICULTURE AND FARM  
CREDIT ADMINISTRATION APPROPRIATION BILL, 1957

"... This deterioration of the farm situation is striking. The Committee has no authority to take direct action with respect to the level of price supports or the size of the farmer's income, nor to legislate to prevent increasing farm costs. It has tried in this bill, however, to provide funds to strengthen those programs of the Department which may help in some small degree.

"This year the President and the Secretary of Agriculture apparently have recognized the serious situation facing American Agriculture. After recommending drastic reductions in funds for the Department's operating programs for three straight years, most of which reductions the Congress restored on recommendations of this Committee, the budget for 1957 provides for quite an increase in funds above the requests of the past few years.

"In 1953, the budget provided for some 64,000 employees with 2 assistant secretaries. This year's request provides for over 70,000 employees and 8 assistants. The first budget prepared after the present Secretary took office--for the fiscal year 1954--included \$639 million for the Department's regular activities. The 1957 budget includes \$787 million for these same programs.

"The present situation in Agriculture justifies such a change.

FALLING FARM INCOME

"Since 1952, net farm income has dropped over 24 percent, from \$14 billion in 1952 to \$10.6 billion in 1955. During this same period, the income of the rest of the Nation increased 14 percent.

"During the period from December 1952 to December 1955, the prices of many commodities have declined. For three of the major crops, the reductions have been as follows: Wheat, from \$2.12 to \$1.95 per bushel; corn, from \$1.50 to \$1.16 per bushel; and cotton, from 32 cents to 31 cents per pound.

"Farm prices averaged 96 percent of parity in 1952 as compared with 80 percent in 1955. During this period, the price index fell 17 percent, from 269 to 223, and the farmers' share of the national income dropped from 7 percent to 5 percent. Since January 1953, the total farm mortgage debt has increased from \$7.1 to \$9 billion.

"Last year, the Committee provided separate funds for a study of the spread between what the farmer receives for his products and what the consumer pays for such products. Under that provision the Department has undertaken some valuable studies on this subject. In the belief that the Congress and the Department must have the basic facts before corrective action can be taken, the Committee has again set aside separate funds for this purpose in the bill for next year.

CCC INVENTORIES--ACREAGE REDUCTIONS

"One of the major problems facing the American farmer is the fact that his acreage has been severely curtailed in recent years. This is due to a combination of factors, such as increasing Commodity Credit Corporation inventories, failure to maintain United States export markets, and competition from increased foreign agricultural production.

"In December 1952, CCC inventories totaled a little over \$1 billion. In December 1955, these holdings had increased to over \$6 billion--and they are still increasing. With respect to a few of the major commodities, the increases are as follows:

## UNITED STATES DEPARTMENT OF AGRICULTURE

Supplemental Estimates, 1956, Appropriated in the Second Supplemental Appropriation Act, 1956  
(Amounts in brackets [ ] are not included in totals.)

Agency or Item	Budget Estimates	House Bill	Senate Bill	Appropriation Act
<u>Agricultural Research Service:</u>				
<u>Research:</u>				
For pay act costs.....	\$2,217,530	\$1,217,530	\$2,217,530	\$1,717,530
Plant and animal disease and pest control:				
For contingency fund for emergency out-				
breaks of insects and plant disease.....	500,000	500,000	b/ 725,000	b/ 650,000
For gypsy moth control.....	500,000	a/ 500,000	500,000	322,220
For pay act costs.....	1,027,780	1,027,780	1,027,780	1,027,780
Meat inspection:				
For pay act costs.....	1,048,690	1,048,690	1,048,690	1,048,690
Total, Salaries and expenses, ARS.....	5,294,000	3,794,000	5,519,000	4,766,220
<u>Forest Service:</u>				
National forest protection and management:				
For increased timber sales.....	500,000	200,000	200,000	200,000
For pay act costs.....	1,978,500	1,978,500	1,978,500	1,978,500
Fighting forest fires.....	5,250,000	5,250,000	5,250,000	5,250,000
Control of forest pests:				
For pay act costs.....	30,000	30,000	30,000	30,000
Forest research:				
For pay act costs.....	455,000	455,000	455,000	455,000
Total, Salaries and expenses, FS.....	8,213,500	7,913,500	7,913,500	7,913,500
<u>Agricultural Conservation Program Service</u>				
Language extending availability to				
December 31, 1956 of funds for cost-sharing				
assistance to farmers to restore farmlands				
damaged by hurricanes and floods, for				
emergency wind erosion control measures, and				
to reimburse the President's Disaster				
Relief Fund.....	Proposed	Approved	Approved	Approved



Agency or Item	Budget Estimates	House Bill	Senate Bill	Appropriation Act
Agricultural Marketing Service:				
School lunch program.....			10,000,000	
Farmers' Home Administration:				
Loan authorization:				
For farm housing loans.....	5,000,000	5,000,000	5,000,000	5,000,000
Salaries and expenses:				
To administer the proposed increase in farm				
housing loans.....	150,000	--	150,000	1,500,000
For pay act costs.....	1,470,000	1,350,000	1,470,000	)
Total, Salaries and expenses, FHA.....	1,620,000	1,350,000	1,620,000	) 1,500,000
Commodity Credit Corporation:				
Corporate administrative expense limitation:				
To handle increased workload and for pay				
act costs.....	4,964,000	4,500,000	4,964,000	4,750,000
Pay Act Costs pursuant to Public Law 94:				
For appropriations not enumerated above.....	5,433,700	5,433,700	5,433,700	5,433,700
Total, Department of Agriculture:				
Direct appropriations.....	20,561,200	18,491,200	20,486,200	19,613,420
Loan authorization (FHA).....	5,000,000	5,000,000	5,000,000	5,000,000

a/ Submitted to the Senate on April 10, 1956.

b/ Increase by Senate Committee of \$225,000 above Budget Estimate to enable Department to provide for the total costs of the Khapra beetle eradication program. Conference provided \$283,000 for eradication of the Khapra beetle.



SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

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MAY 11, 1956.—Ordered to be printed

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Mr. CANNON, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 10004]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 10, 13, 25, 29, 32, and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 15, 19, 27, 31, 35, 37, 38, 41, 42, 43, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 62, 63, 64, 65, and 66, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,717,530; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$2,000,000; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$650,000; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert \$1,500,000; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$30,750,000; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$515,500; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$87,500; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$117,500; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$27,000,000; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,000,000; and the Senate agree to the same.

## Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$175,000; and the Senate agree to the same.

## Amendment numbered 68:

That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$160,000; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 9, 11, 12, 16, 17, 21, 22, 23, 24, 26, 28, 30, 34, 36, 39, 40, 44, 45, and 61.

CLARENCE CANNON,  
MICHAEL J. KIRWAN,  
JAMIE L. WHITTEN,  
PRINCE H. PRESTON,  
LOUIS C. RABAUT,

*Managers on the Part of the House.*

CARL HAYDEN,  
RICHARD B. RUSSELL,  
DENNIS CHAVEZ,  
MILTON R. YOUNG,

*Managers on the Part of the Senate.*



## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

### CHAPTER I

#### DEPARTMENT OF AGRICULTURE

Amendment No. 1: Appropriates \$1,717,530 for Agricultural Research Service, salaries and expenses, research, instead of \$1,217,530 as proposed by the House and \$2,217,530 as proposed by the Senate.

Amendments Nos. 2 and 3: Appropriate \$2,000,000 for Agricultural Research Administration, salaries and expenses, plant and animal disease and pest control, instead of \$1,527,780 as proposed by the House and \$2,252,780 as proposed by the Senate, and provide \$650,000 for the contingency fund instead of \$500,000 as proposed by the House and \$725,000 as proposed by the Senate. The amount agreed to by the conferees for the contingency fund includes \$283,000 for the eradication of the Khapra beetle.

Amendment No. 4: Deletes \$10,000,000 for the school lunch program inserted by the Senate. In arriving at this determination, the conference committee was influenced by the following statement of the Department on this item:

Historically, school lunch operations experience a sharp decrease beginning in late April, and many programs cease operations by the middle of May. The availability of an additional \$10 million so late in the school year could not be used effectively during the remaining portion of the school term.

Adequate funds for this program will be given careful attention in the regular appropriation bill for fiscal year 1957.

Amendment No. 5: Appropriates \$1,500,000 for Farmers' Home Administration, salaries and expenses, instead of \$1,350,000 as proposed by the House and \$1,620,000 as proposed by the Senate.

Amendment No. 6: Authorizes \$30,750,000 for administrative expenses of the Commodity Credit Corporation, instead of \$30,500,000 as proposed by the House and \$30,964,000 as proposed by the Senate.

### CHAPTER II

#### DEPARTMENT OF COMMERCE

Amendments Nos. 7 and 8: Appropriate \$515,500 for Bureau of the Census, salaries and expenses, instead of \$503,000 as proposed by

the House and \$528,000 as proposed by the Senate, and authorize transfer of \$87,500 from "Census of Agriculture" instead of \$75,000 as proposed by the House and \$100,000 as proposed by the Senate.

Amendment No. 9: Reported in disagreement.

Amendment No. 10: Appropriates \$30,000,000 for Maritime Administration, operating differential subsidies, as proposed by the House.

Amendment No. 11: Reported in disagreement.

Amendment No. 12: Reported in disagreement.

## CHAPTER IV

### GENERAL GOVERNMENT MATTERS

Amendment No. 13: Appropriates \$56,000 for Corregidor Bataan Memorial Commission, salaries and expenses, as proposed by the House.

## CHAPTER V

### INDEPENDENT OFFICES

Amendment No. 14: Authorizes \$117,500 for administrative expenses of the employees' life insurance fund, instead of \$100,000 as proposed by the House and \$135,000 as proposed by the Senate.

Amendment No. 15: Authorizes \$3,438,800 for nonadministrative expenses of the Federal Home Loan Bank Board, instead of \$3,338,800 as proposed by the House.

Amendment No. 16: Reported in disagreement.

Amendment No. 17: Reported in disagreement.

Amendment No. 18: Appropriates \$27,000,000 for National Science Foundation, International Geophysical Year, instead of \$26,000,000 as proposed by the House and \$28,000,000 as proposed by the Senate.

## CHAPTER VI

### DEPARTMENT OF THE INTERIOR

Amendment No. 19: Appropriates \$35,000 for Office of the Secretary, Oil and Gas Division, as proposed by the Senate.

Amendment No. 20: Appropriates \$1,000,000 for Bureau of Land Management, management of lands and resources, instead of \$800,000 as proposed by the House and \$1,200,000 as proposed by the Senate.

Amendment No. 21: Reported in disagreement.

Amendment No. 22: Reported in disagreement.

Amendment No. 23: Reported in disagreement.

Amendment No. 24: Reported in disagreement. A motion will be offered which will provide an appropriation of \$3,000,000, of which \$360,000 will be for the repair of facilities damaged during the recent floods on the Pacific coast as proposed by the Senate and the balance for the initiation of construction of the Jefferson National Expansion Memorial.

Amendment No. 25: Deletes Senate proposal to appropriate \$500,000 for National Park Service, Jones Point Bridge.

## CHAPTER VII

## DEPARTMENT OF LABOR

Amendment No. 26: Reported in disagreement.

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Amendment No. 27: Makes available \$3,500,000 for Public Health Service, construction of Biologics Standards Laboratory Building, as proposed by the House, but restated merely to reflect technical language changes.

Amendment No. 28: Reported in disagreement.

Amendment No. 29: Appropriates \$47,000,000 for Social Security Administration, grants to States for public assistance, as proposed by the House instead of \$50,000,000 as proposed by the Senate.

## NATIONAL MEDIATION BOARD

Amendment No. 30: Reported in disagreement.

## RAILROAD RETIREMENT BOARD

Amendment No. 31: Authorizes the transfer of \$888,000 from the railroad retirement account for Railroad Retirement Board, salaries and expenses, as proposed by the Senate instead of \$548,000 as proposed by the House.

## CHAPTER VIII

## PUBLIC WORKS

Amendment No. 32: Strikes out proposal of the Senate to appropriate \$3,500,000 for the Tennessee Valley Authority.

## CHAPTER IX

## DEPARTMENT OF JUSTICE

Amendment No. 33: Appropriates \$500,000 for salaries and expenses, general legal activities, as proposed by the House instead of \$550,000 as proposed by the Senate.

Amendment No. 34: Reported in disagreement.

## THE JUDICIARY

Amendment No. 35: Authorizes the transfer of \$8,375 from the referees' salary fund for salaries of referees, as proposed by the Senate instead of \$6,375 as proposed by the House.

## CHAPTER X

## POST OFFICE DEPARTMENT

Amendment No. 36: Reported in disagreement.



## CHAPTER XI

### DISTRICT OF COLUMBIA

Amendment No. 37: Appropriates \$150,000 for Department of Public Health as proposed by the Senate instead of \$130,000 as proposed by the House.

## CHAPTER XII

### LEGISLATIVE BRANCH

Amendment No. 38: Inserts chapter heading.

Amendment No. 39: Reported in disagreement.

Amendment No. 40: Reported in disagreement.

Amendments Nos. 41, 42, and 43: Appropriate funds for contingent expenses of the Senate.

Amendments Nos. 44 and 45: Reported in disagreement.

## CHAPTER XIII

### CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

Amendments Nos. 46 and 47: Insert reference to Senate document and appropriate \$2,367,341 as proposed by the Senate instead of \$1,614,562 as proposed by the House.

## CHAPTER XIV

### INCREASED PAY COSTS

Amendments Nos. 48 through 60: Appropriate funds to cover increased pay costs for various Senate activities.

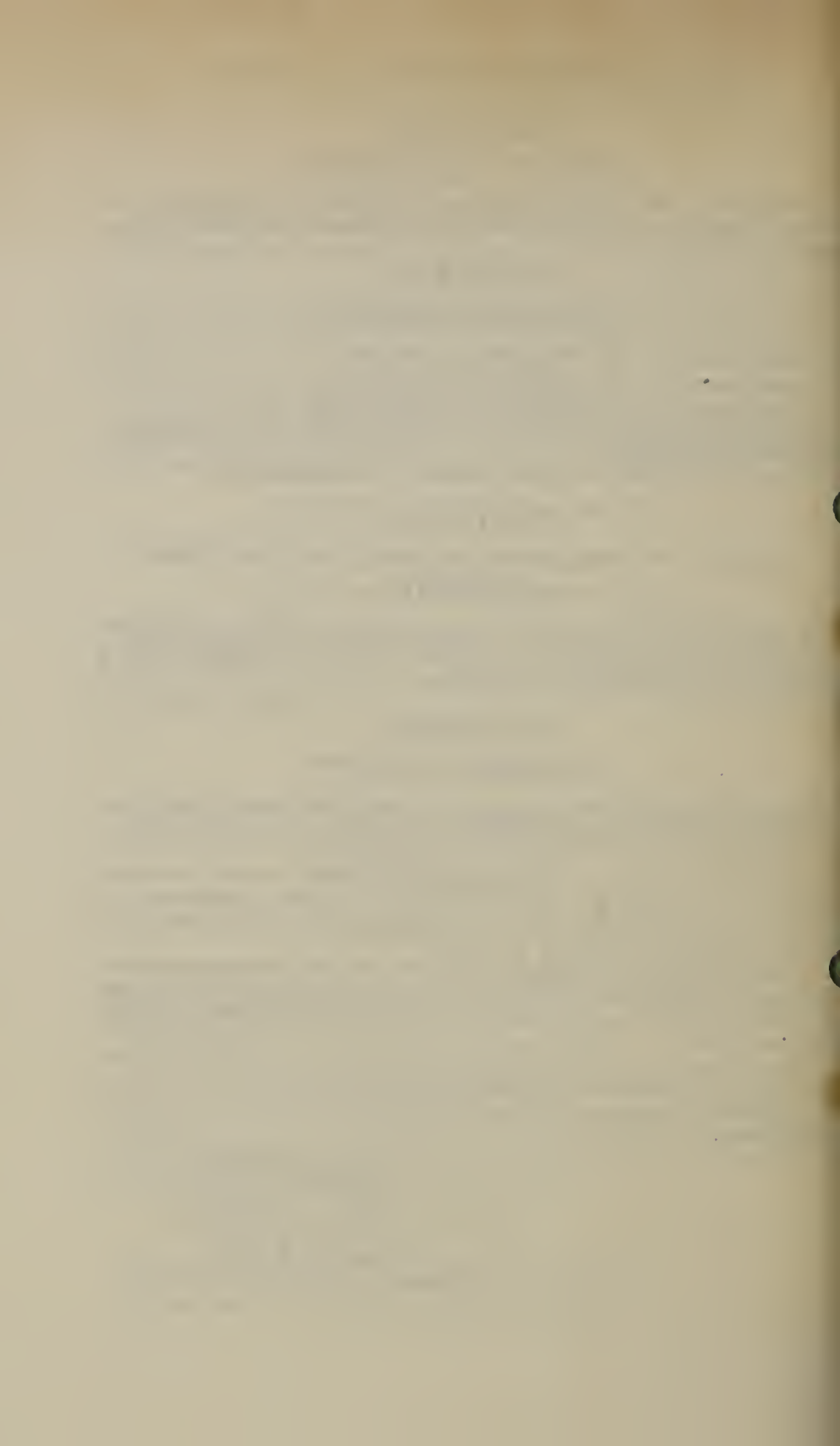
Amendment No. 61: Reported in disagreement.

Amendments Nos. 62 through 66: Eliminate transfer provision relative to increased pay costs for military functions, Department of Defense, and provide for direct appropriation in the total amount of \$10,417,900 as proposed by the Senate.

Amendment No. 67: Appropriates \$175,000 for increased pay costs for Bonneville Power Administration, operation and maintenance, instead of \$162,500 as proposed by the House and \$187,500 as proposed by the Senate.

Amendment No. 68: Appropriates \$160,000 for increased pay costs for general administrative expenses, Bureau of Reclamation, instead of \$150,000 as proposed by the House and \$170,000 as proposed by the Senate.

CLARENCE CANNON,  
MICHAEL J. KIRWAN,  
JAMIE L. WHITTEN,  
PRINCE H. PRESTON,  
LOUIS C. RABAUT,  
*Managers on the Part of the House.*









# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued  
For actions of

May 17, 1956  
May 16, 1956  
84th-2nd, No. 80

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HIGHLIGHTS: Senate made farm bill its unfinished business. Both Houses agreed to conference report and cleared for President second supplemental appropriation bill. Senate subcommittee ordered USDA appropriation bill reported to full committee. House received conference report on sugar bill. House received proposed supplemental estimates for 1957 fiscal year, including amounts for certain USDA agencies. Rep. Dodd introduced and discussed bill to require compulsory poultry inspection by USDA

## SENATE

1. FARM PROGRAM. Made H. R. 10875, the farm bill, its unfinished business to be debated today. p. 7405  
Sens. Schoeppel, Aiken, Fulbright (for himself and Sen. McClellan), Smith, and Hickenlooper submitted amendments intended to be proposed to the bill. p. 7361
2. APPROPRIATIONS. The Appropriations subcommittee completed its markup of H. R. 11177, the USDA appropriation bill for 1957, and ordered it reported with amendments to the full Committee. p. D482
3. SURPLUS FOODS. The Finance Committee announced that during consideration of H. R. 7225, relating to social security amendments, the "food stamp plan amendment, introduced by Sen. Kerr, was voted down by the committee. It would provide food stamps for the distribution of surplus foods and fibers to families on public assistance in the amount of \$10 per month." p. D482
4. ROADS. Majority Leader Johnson announced that H. R. 10660, the road bill, may be taken up next week. p. 7406

5. ELECTRIFICATION. Passed with amendments S. 1823, to authorize the construction of works of improvement in the Niagara River for power and other purposes. pp. 7365, 7393
6. WATER RESOURCES. Sen. Watkins inserted and commented on two magazine articles and a letter supporting efforts for water resource development in the West. p. 7406
7. FOREIGN AFFAIRS. Sen. Martin inserted a statement by the U. S. representative to the U. N. Economic and Social Council on the contributions of the International Bank to the economic growth of other nations, including the stimulation of agricultural production in Mexico. p. 7363
8. RECLAMATION. Agreed to the conference report on H. R. 6268, to provide for the use of appropriated funds by the Secretary of Interior in contracts for the construction of drainage works and other minor items on Federal reclamation projects. p. 7365  
The Interior and Insular Affairs Committee reported without amendment S. 3101, authorizing the construction of the Crooked River reclamation project in Ore., (S. Rept. 2007); and H. R. 1779, authorizing the construction, operation and maintenance of the Juniper division of the Wapinitia reclamation project in Ore., (S. Rept. 2008). p. 7356
9. DAIRY MONTH. Sen. Wiley commented on an inserted a newspaper article on the intensive plans being made in Wis. for the celebration of June, Dairy Month, p. 7309, 5-15-56.

HOUSE

10. APPROPRIATIONS. Both Houses agreed to the conference report on H. R. 10004, the supplemental appropriation for 1956 (pp. 7395, 7419). The conference report was agreed to, in the House, by a vote of 134 to 10 (p. 7429). This bill is now ready for the President.  
Received from the President supplemental appropriation estimates for fiscal year 1957 (H. Doc. 403). This document includes the following items for this Department: Salaries and expenses, Agricultural Research Service, Plant and animal disease and pest control, \$1,000,000 to provide for additional co-operation with Florida in eradicating the newly found infestation of the Mediterranean fruit fly, and for accelerating the eradication program of the burrowing nematode; Sugar Act Program, Commodity Stabilization Service, \$189,000 increase in administrative-expense limitation (no additional appropriation required) contingent upon enactment of H. R. 7030; and Federal Crop Insurance Corporation, \$13,000,000 to enable the Secretary of the Treasury to subscribe and pay for capital stock of the Corporation in order to provide adequate working capital; to the Appropriation Committee. p. 7467
11. SUGAR. Received the conference report on H. R. 7030, to amend and extend the Sugar Act of 1948 (H. Rept. 2174). pp. 7417, 7468 (See Digest 78 for provisions)
12. ELECTRIFICATION. Rep. Price commended Speaker Rayburn for his support of REA through the years, and offered congratulations on the 20th birthday of REA. p. 7416



within his department such records, property, and personnel, and such unexpended balances (available or to be made available for use in connection with any affected function) of appropriations, allocations, and other funds of the department, as he considers necessary to carry out this reorganization plan.

SEC. 3. Interim provisions: For each office established by section 1 of this reorganization plan, the President may designate a civilian officer of the executive branch of the Government to perform the functions of that office until it is filled by appointment under that section. By performing those functions the officer shall not forfeit any office that he otherwise holds.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the Houses on the amendments of the Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 11, 12, 16, 17, 21, 22, 23, 26, 28, 30, 34, 36, 39, 40, 44, 45, and 61 to the bill, and concurred therein, and that the House had receded from its disagreement to the amendments of the Senate numbered 9 and 24, to the bill, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. LEHMAN. Mr. President, I move to lay on the table the motion of the Senator from Texas.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New York to lay on the table the motion of the Senator from Texas to reconsider the vote by which the bill was passed.

The motion to lay on the table was agreed to.

#### BARKLEY DAM AND LAKE BARKLEY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2012, Senate Joint Resolution 166, and I call the attention of the distinguished Senator from Kentucky [Mr. CLEMENTS] to the request.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 166) to designate the dam and reservoir to be constructed on the lower Cumberland River, Kentucky, as Barkley Dam and Lake Barkley, respectively.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. CLEMENTS. Mr. President, the purpose of the joint resolution is to des-

ignate the lower Cumberland lock and dam on the Cumberland River, Ky., and the reservoir created thereby, as the Barkley Dam and Lake Barkley, respectively, in honor of the late Senator and former Vice President of the United States, Alben W. Barkley.

The site of the proposed lower Cumberland lock and dam is on the Cumberland River in Lyon and Livingston Counties, Ky., 30.5 miles above the confluence of the Cumberland and Ohio Rivers.

The project was authorized by Public Law 780, 83d Congress, in accordance with the recommendations contained in Senate Document No. 81, 83d Congress. The project is a multiple-purpose development for navigation, flood control, hydroelectric power, and other purposes. The reservoir will have a total capacity of 3,248,000 acre-feet, and a power installation of 130,000 kilowatts. The reservoir will extend about 120 miles upstream, a portion being in Tennessee, and have an area of approximately 100,000 acres. The estimated cost of the project is \$167 million, and initiation of construction thereon is anticipated in the near future. The dam site is only a few miles from the Kentucky Dam, and the reservoir will extend almost parallel to Kentucky Lake, the largest reservoir of the Tennessee Valley Authority.

The lower Cumberland lock and dam project is located in the district in Kentucky in which the late Senator Alben W. Barkley resided. He was always a strong advocate and supporter of this project.

The committee believes it fitting and proper that this dam and reservoir bear the name of Barkley Dam and Lake Barkley in honor of the great statesman and beloved American from Kentucky, who so ably served his State and the Nation in public office for over 50 years. The committee realizes that no engineering structure is capable of symbolizing the greatness of the man Alben W. Barkley, but we can honor his life in a modest manner by having this dam and reservoir bear his name.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 166) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Resolved, etc., That the dam to be constructed on the lower Cumberland River, Ky., authorized by the Flood Control Act of 1954, and the reservoir to be formed by the waters impounded by such dam, shall hereafter be known as Barkley Dam and Lake Barkley, respectively, and any law, regulation, document, or record of the United States in which such dam and reservoir are designated or referred to shall be held to refer to such dam and reservoir under and by the names Barkley Dam and Lake Barkley, respectively.*

The preamble was agreed to.

#### SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956—CONFERENCE REPORT

Mr. HAYDEN. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the

Senate to the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. McNAMARA in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of Monday, May 14, 1956, p. 7252, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HAYDEN. Mr. President, it is very important that the conference report be agreed to this evening. I have had submitted to me by the Bureau of the Budget a list of 21 agencies of the Government which are running out of money. The most serious situation is with respect to the payment of veterans. The statement is that the unexpended balance remaining in the appropriation as of April 30 was approximately \$22 million. The Veterans' Administration cannot send checks to 600,000 veterans unless more money is made available.

I urge, therefore, prompt action on the report. It is a complete agreement between the two Houses.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. BRIDGES. Mr. President, the Senator from New Hampshire and the Senator from Massachusetts [Mr. SALTONSTALL], after the consideration of the bill by the conferees of the Senate and the House did the rather unusual thing of declining to sign the conference report—not because we questioned very many of the items it contained, since we agreed with most of the figures in the conference report, but because of a very definite principle. For 2 or 3 minutes I wish to discuss that principle.

Mr. President, my refusal to sign was in order to express in the most emphatic way possible my disapproval of the conferees rejection of Senate amendment No. 32 which dealt with the Tennessee Valley Authority. After the give and take of conference my only objection to the bill as agreed to by the conferees was in this one area, and although the course was open to me to sign the report objecting only to that item, I chose the course that I did as I have said, to express most emphatically my disapproval.

It has been one of the few times in the 20 years I have been in the United States Senate that I refused to sign a conference report as a whole.

If the Members of the Senate do not want to see the Congress of the United States gradually stripped of its powers one by one, and the power of the Congress of the United States generally diminished, they should take stock of the question involved, because it establishes the principle that the Congress has no more to say about the use of money in the building of TVA plants.



The particular item in regard to Tennessee Valley Authority was not merely a matter of whether to appropriate a sum of money or not, or a question merely of how much to appropriate. Actually what was involved was the fundamental question of whether or not the Congress is to exercise any control whatsoever over the expenditure of public money by the Tennessee Valley Authority, or whether the Congress is to abdicate completely that time hallowed function and thus set an unfortunate precedent which will lead to further diminution of the congressional function in our scheme of government. My concern is thus directed to a matter of vital underlying principle. Here is a brief rundown of the factual situation:

There was inserted by the Senate amendment No. 32, providing for a direct appropriation of \$3½ million to the Tennessee Valley Authority which was to be used for the commencement of construction of generating facility No. 4 located at the John Sevier plant. This was in accordance with the recommendations of the Bureau of the Budget and by this appropriation we were thus asserting congressional control over the expenditure of funds by the TVA. Opposed to this concept of congressional control was the roundabout reasoning resulting finally in an opinion by the general counsel for TVA that such new generating facilities could be constructed out of TVA revenues without any regard whatsoever for congressional authority.

The citations which the general counsel used in support of his theory refer generally to the law prior to the passage of the Government Corporations Control Act in 1945 with a further limitation in 1948. The 1948 limitation reads as follows:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress.

When the general counsel finally arrived at the point of this limitation he glibly interpreted it as follows:

In thus prohibiting the use of revenues for construction of "new power producing projects" without prior congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities.

One is astounded first at the counsel's use of the word "clearly" because it would seem under any fair interpretation that the most that could be said for TVA's position is that it is arguable. One is next astounded that by the use of words not found in the limitation or by the translation of words in the limitation to words not of like meaning a glib circumvention of the purpose of the limitation results. If any language is clear it would seem the words of the limitation are clear when it says in effect "no new power producing projects, except for replacement purposes." Yet by the use of the word "unit" and the contention of the general counsel that a "unit" is not a

project, TVA could expand indefinitely, limited only by the amount of revenue available to it.

Let us review for a moment the history of what has become this electrical Frankenstein. It all started as a proposition for multipurpose dams to provide flood control, water conservation, improved navigation, and incidental power generation, possibly as a yardstick. Today, as a result of steam plant building, a large percentage of the power generated is steam generated. When the tail of power generation began to wag the dog of flood control, improved navigation, and water conservation, steam generating units were added to firm up the hydroelectric power and now TVA having exhausted all hydroelectric possibilities is continuing to build steam generating capacity far and beyond the complete total of hydroelectric generation. The market for this greatest of all producing and distributing systems in the country comes from industries lured from other sections of the United States, which sections have provided the tax dollars to create and sustain this monster. Now in complete defiance of the Congress that created it, TVA, grown rich on its tax exempt and subsidized revenues, plans to spend public money to increase indefinitely its empire.

In its headlong rush for empire it has now even stooped to duplicity in that the initial \$3½ million to be spent is only a part of a \$28 million project which in turn is a part of a \$178 million project. In that regard a certificate of intention was only filed for 1 new project when in effect 6 are being undertaken to the total amount indicated.

Now, whether one is for TVA or against it—and the Congress has been very generous with TVA—the question is: Shall the Congress of the United States be bound by the interpretation of TVA's counsel, who has never faced an election by the American people, or by the people of the State of Tennessee or any other State of the Union, but who is one of the many thousands of lawyers who are appointed in the course of governmental administration? Are we bound by his off-the-cuff interpretation which adds up to saying Congress has no more power in this area; that its power has been abdicated? If so, we have gone a long way down the road to a complete nullification of legislative authority. For one, I shall not stand for it. This question is going to come up to hit Congress in the face in the years to come if we adopt the stated position of the Tennessee Valley Authority, fortified by the self-serving interpretation of its own counsel which says, in effect: "Abdicate; go home. We have no use for you. We shall proceed in our own direction."

Mr. President, this is an unprecedented situation which we have before us. It is a complete and utter challenge to the right of Congress to control the expenditure of public money. If we do not reassert our control in the immediate future, we must later attempt to control it through the painful course of backtracking, perhaps to find that we have locked the barn long after the horse has been stolen.

This is not a new problem, Mr. President, nor is it a partisan one. I refer the Senate to pages 11253 through 11256 of the CONGRESSIONAL RECORD of August 2, 1955, the 1st session of the 84th Congress, where is reported the colloquy of my colleagues, Senators McCLELLAN, FULBRIGHT, and HOLLAND, in support of their Senate Resolution 146 dealing with this very question. This body should come to grips with this vital problem, to the end that the congressional appropriating function is restored and the people of the country can look to their elected representatives for the spending of their tax dollars.

I was in accord with all the other items in the appropriation bill, and ordinarily I would sign a conference report, making an exception in the case of this amendment. However, a great principle is involved in this instance. Either we are in favor of having Congress maintain control of this situation and similar situations, or we favor allowing Congress to pack its bags and go home, insofar as such matters are concerned. If Senators do not think the decision they make in this instance will confront them in the future, they are sadly mistaken. In my opinion, Members of both Houses who take the other position will live to see the day when they will regret it.

Mr. KNOWLAND. Mr. President, will the Senator from New Hampshire yield to me?

The PRESIDING OFFICER (Mr. PASTORE in the chair). Does the Senator from New Hampshire yield to the Senator from California?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Mr. President, I think the distinguished Senator from New Hampshire, the ranking Member on this side of the aisle on the appropriations conference committee, has performed a very useful service in bringing this matter to the attention of the Senate. I fully subscribe to what he has had to say regarding the importance of the principle involved; and I speak as one who on occasions has voted in this Chamber in support of powerplants in the Tennessee Valley, when I felt it was necessary to do so in order to firm up hydroelectric power.

But the principle the Senator from New Hampshire has been discussing is one of great importance if the Congress is not to abdicate its responsibility to control the purse strings. If once we depart from that principle—whether on occasion we favor a particular power project or whether we are opposed to it—we shall be in grave difficulty, because in my opinion the principle of congressional control is essential to the orderly conduct of our governmental affairs.

Mr. President, the only point at all—and perhaps a minor one—where I would depart from the views of the distinguished Senator from New Hampshire is this: It may be that the Senate, for perhaps the same reason that influenced the majority of the conferees in this instance—namely, because of the necessity to make needed appropriations for various of the departments—will agree to the conference report. I, for one, would not want it to be assumed by



the counsel of the TVA or the counsel of any other agency that such action in effect amounted to endorsement by us of abdication of congressional responsibility.

Regardless of what is done in the case of the conference report which now is before the Senate, I believe it important that the Senate and the House of Representatives give notice regarding this matter, and that the executive agencies also be put on notice regarding it. Apparently the question has arisen because of the fuzzy situation which now exists.

Mr. President, if the appropriate legislative committee does not promptly report to the Senate a bill which will reinstate congressional control over the purse strings, I think we should use some other vehicle to achieve that end. Inasmuch as the rule of germaneness does not apply in the Senate, we might do that in connection with consideration by the Senate of a bill whose enactment is both necessary and desirable. We might offer to such a bill an amendment which would tie down this matter, so that no one would be under the false impression that the Congress was going to abdicate its responsibility.

With that minor exception, I fully concur in what the distinguished Senator from New Hampshire has said.

Mr. BRIDGES. I thank the Senator from California.

Mr. THYE. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. THYE. I wish to commend the distinguished Senator from New Hampshire for having brought this matter to the attention of the Senate and for discussing it here.

As a member of the Appropriations Committee, I have heard it discussed in the committee. I know the difficulties with which both the Senator from New Hampshire [Mr. BRIDGES] and the Senator from Massachusetts [Mr. SALTONSTALL] were confronted in conference when they held out for their position at a time when they knew positively that some of the Government agencies were running out of funds.

But a principle is involved in this case, and that principle is this: Shall a corporation within the Government proceed in an independent manner to exercise in its own discretion the power to reinvest, as it sees it, without coming to Congress, the revenues it derives from the sale of electricity generated within its system by both hydroelectric plants and steam plants?

Personally, I have voted for authorizations or appropriations to construct additional steam plants, so as to firm up hydroelectric power. I have done that in the past, during my service in the Senate; and perhaps I shall do so in the future.

On the other hand, in my opinion, it is clearly wrong for the Congress to surrender to a governmental corporation—in this case, to the TVA—the right to appropriate, from its earnings, funds to

be spent to develop further generating capacity within the corporation's system.

Today I shall vote in favor of adoption of the conference report because the funds carried in it are needed for various of the Government agencies. However, I certainly urge that the Congress take a very careful look at the policy now being developed within the TVA because of a ruling by one attorney as to whether the TVA does or does not have that right. The attorney ruled that it had the right thus to appropriate its earnings. That matter must be examined, and a redetermination must be made, because if such permission is allowed the TVA, no doubt similar attempts will be made by other Government corporations, and perhaps also within the military forces. That must not happen, because it could undermine and destroy the fundamentals of our country and its Government.

So, Mr. President, although I shall vote for adoption of the conference report, I am opposed to permitting the TVA to appropriate from its own earnings for expansion of its own system.

Mr. SALTONSTALL. Mr. President—

Mr. BRIDGES. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I joined with the Senator from New Hampshire [Mr. BRIDGES] in refusing to sign the conference report. It is the first time since I have been a member of the Appropriations Committee that I have refused to sign a conference report. I did so because—as the Senator from New Hampshire has said—I believe a very fundamental principle is involved. That principle is simply this: Are we going to permit a Government corporation—in this case, the Tennessee Valley Authority—to proceed to use its own revenues, which have accrued from its operations, to build extensions, without coming to Congress for approval in any manner, shape, or form?

This question arises in connection with this supplemental appropriation bill because in his message, the President submitted a request for the appropriation of \$3,500,000 for an extension to the John Sever plant No. 4. When the entire extension is built, it will cost \$28 million. So this item involves only approximately one-seventh or one-eighth of the total cost of the extension.

The TVA has sufficient revenues with which to construct the extension. The question is whether the TVA can do so without coming to Congress.

The extension is a proper one. Those of us who have heard the evidence agree that the plant should be built. It is needed in the TVA system. As one member of the committee, I do not question that in any way. But I do question whether we should give up all right to approve these extensions in the future. If we do it in the case of the TVA—and let me point out that the law regarding the TVA reads in practically the same way as does the law regarding

other Government corporations—we shall give up to that extent our right to determine how far the Government shall go into business by means of these separate corporations.

The House said the TVA could go ahead and build this facility, but it took the money out of the appropriation bill, because there was money enough in the TVA revenues to build it. Therefore the House said that no appropriation was necessary. A minority group of the Appropriations Committee of the House dissented very strongly from this decision, and signed minority views. But there was nothing in the bill itself concerning the TVA. The Senate committee recommended—and the Senate adopted the report of the committee—that this appropriation be put back into the bill. In this body we said, "We approve of the TVA going ahead, but we say that Congress should appropriate the money, instead of permitting it to be taken out of revenues, with no appropriation, and no action by the Congress."

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. AIKEN. Does this proposal mean that the TVA would no longer have to come to Congress for authority to expand its business or to construct new powerplants?

Mr. SALTONSTALL. As I interpret the ruling by the counsel, the TVA would not have to come to Congress for any extensions of existing plants which involve capital, so long as it had accumulated earnings sufficient to pay for the construction. I do not think the ruling of the counsel applies to absolutely new entities for construction. If the TVA wished to construct a new entity, entirely apart from any existing steam plant, I believe the counsel for the TVA would rule that Congress must approve. But with respect to any extensions of existing plants, the counsel has ruled that it is not necessary to come to Congress. In this instance a total expenditure of \$28 million is involved.

Mr. AIKEN. Does that mean that the TVA could make unlimited expansions of existing plants, whether such plants were steam or water powerplants?

Mr. SALTONSTALL. I think I should answer that question affirmatively. I know that it applies to steam plants, and I believe it would apply to water powerplants, if such plants existed.

Mr. AIKEN. Would it have any effect upon the expansion of the territory served by TVA, or would that depend upon the States involved?

Mr. SALTONSTALL. If by extending an existing plant the TVA could serve more private interests or extend its facilities into new territory, I would assume it could do so. In this case, that question is not involved. The only question involved here is with respect to an extension of the plant to take care of the growing needs of the TVA in its territory. I, for one, do not object to that. I think it should be expanded.



Mr. AIKEN. Is this the bill which has held up appropriations which are so essential to the Small Business Administration for making loans?

Mr. SALTONSTALL. This is the appropriation bill which includes the Small Business Administration. It includes a number of other Government functions. With respect to all such matters, the conference committee is in complete accord.

Mr. AIKEN. Is this the bill which has been holding up the appropriation for the Small Business Administration and keeping our small-business people on the anxious seat?

Mr. SALTONSTALL. I would answer that question affirmatively. I think that is true.

Mr. AIKEN. I think the Senator is correct. For that reason I expect to vote with him on this question. Although I have always supported the TVA, I object strenuously to its being used as a black-jack in this manner. For that reason, I shall vote against accepting the conference report, not because I am lacking in enthusiasm for the TVA and its legitimate work, but because we have had too many examples of legitimate advocacy of public power being used to do things which are completely at variance with some of our ideas.

Mr. CASE of South Dakota. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield to the Senator from South Dakota.

Mr. CASE of South Dakota. Does the Senator say that the issue here is the use of revenues as a capital construction fund?

Mr. SALTONSTALL. The issue here is whether or not the TVA can use earnings which are in its pocket today—and properly in its pocket—for the extension of existing TVA facilities, without coming to Congress for approval of the extension of existing facilities. This case involves the John Sevier plant No. 4. The \$3,500,000 involved represents a start on a \$28 million expenditure.

Mr. CASE of South Dakota. That perhaps answers the second question I intended to ask, namely, whether the money proposed to be used in this instance would be merely a downpayment or an initial payment on a project which would eventually cost a great deal more money, and commit the Congress, by appropriation or by the application of future revenues, to a much larger expenditure.

Mr. SALTONSTALL. It is a case of that character.

Mr. CASE of South Dakota. In that event I commend the conferees for taking the position they took in an attempt to prevent such a situation. If the conference report is adopted, I wish to join with those who say that this case should not be regarded as a precedent. I say that not only because of this incident, but because there is now pending before the Public Works Committee a bill introduced by the distinguished Senator from Oklahoma [Mr. KERR], which bill proposes to deal with the whole issue of

TVA financing for construction of new projects, or for additions to plants. The issues which are involved here will be involved in connection with that bill. I hope the action which Congress may eventually take on that bill will be regarded as a binding precedent or rule in connection with such situations, rather than this incidental action in connection with an appropriation.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. SALTONSTALL. Let me make one further comment in connection with what the Senator from South Dakota has said.

I believe I describe the situation correctly when I say that the present administration believes that Congress should have the authority. Therefore the amount of \$3,500,000 was included as an appropriation, to be appropriated by Congress in order that Congress might retain the authority to determine the question of the extension.

Counsel for the TVA has ruled that, it is not necessary for Congress to approve such an extension. Therefore the House took the item out of the bill. The Senate put it back into the bill. The conferees left it out by a divided vote.

The issue is simply this: Shall we, by refusing to adopt this conference report, express ourselves as standing up for the principle that Congress shall have the authority to say how far TVA may extend its present facilities without coming to Congress?

I now yield to the Senator from Washington.

Mr. MAGNUSON. Mr. President, if the present discussion is to continue much longer, I should like to have the opportunity to bring up a conference report which I am sure can be acted upon quickly. Is there to be a yea-and-nay vote on the pending conference report?

Mr. SALTONSTALL. I would yield to the Senator from New Hampshire [Mr. BRIDGES], the ranking Republican member of the Appropriations Committee, on that question.

Mr. BRIDGES. I think there should be a yea-and-nay vote.

Mr. McCLELLAN and Mr. GORE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Massachusetts yield, and if so, to whom?

Mr. SALTONSTALL. I yield first to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, the Senator from Massachusetts has referred to this particular unit as costing some \$28 million, of which \$3,500,000 is at issue at the moment.

Mr. SALTONSTALL. That is correct.

Mr. McCLELLAN. That is the amount necessary to initiate construction of the particular unit. But is it not true that there is already projected a further expansion by the TVA to the extent of \$180 million odd? Is it not correct to say that this would become a part of the whole; and that there would be not only \$3½ million spent, and not only \$28 million spent, but that in order to

finish the expansion the amount would run to something like \$180 million, without Congress approving it? Is that not correct?

Mr. SALTONSTALL. I cannot answer the Senator's question as to the amount involved with respect to further expansions. However, I can say that it is my understanding that the bookkeeping of the TVA shows that they are ahead at the present time in revenues in their treasury and that they are able to pay to the United States Government all they should pay and still leave a substantial amount with which to go ahead on the expansion.

Mr. McCLELLAN. That is correct. There is no question about that. However, after all, TVA is owned by the taxpayers of the United States. It is owned by the Government. Is it not correct to say that every dollar of revenue that comes into the TVA is the equivalent of a dollar in taxes that is paid by the taxpayers, because it is a taxpayers' investment?

Mr. SALTONSTALL. There can be no question about that.

Mr. McCLELLAN. There can be no question about it. If there is a project in the Senator's State to prevent floods, for example, the Senator must come to Congress and to the Appropriations Committee to obtain money from the taxpayers' Treasury. Is that not correct?

Mr. SALTONSTALL. That is correct.

Mr. McCLELLAN. However, we are about to make an exception in this instance. We are starting a dangerous precedent by saying that if the money is received from an investment from the Government in the nature of TVA revenues, then a divided board as in this instance—and only 2 of the 3 members of the board favored this procedure—can determine whether a capital investment of taxpayers' money can be made, instead of having Congress do so. Is that not correct?

Mr. SALTONSTALL. I would say to the Senator from Arkansas that he is fully aware of this subject, because last year, he submitted Senate Resolution 146, which was tabled on August 2, 1955. I would also say that it is my understanding, as the Senator from South Dakota [Mr. CASE] has stated, that there are 2 bills now pending in Congress, 1 in the Senate and 1 in the House, to make it clear that this type of procedure cannot be followed.

Mr. McCLELLAN. The resolution the Senator mentioned was not tabled. It was submitted, and is now lying on the desk.

Mr. SALTONSTALL. I am glad to hear that.

Mr. McCLELLAN. It can be called up at any time. We are confronted with one basic and fundamental issue. If this privilege can be granted to TVA, may I ask why we should not have a similar agency to TVA set up for every river valley in the country, and accord such agencies the same powers?



For instance, in the Arkansas River Valley, we are now beginning to develop power. Is Congress willing to agree that all the revenues which come from power sales there may be used for investment in further capital projects?

It is a question of whether we are going to show continued favoritism to one area, and, after we have developed it and built it up and the taxpayers have developed its natural resources, whether we will then permit that area, through a TVA board, to take the profits and revenues from the development, and build steam plants, while the Senator from Massachusetts begs and I beg for money with which to prevent floods in our areas and to develop the water resources in our areas.

Mr. SALTONSTALL. I agree with the Senator from Arkansas. This is one of the few instances of a principle being involved in an appropriation bill. In most cases it is a question of what is the proper amount to appropriate. In this instance the question is whether Congress should give up its right to approve an extension.

Mr. McCLELLAN. I should like to make one further point. I am not opposing the expenditure of \$3½ million or the expenditure of \$28 million. I made a motion in the Committee on Appropriations that the Senate should provide an appropriation of \$3½ million. Let us vote for it and put all areas in the country on an equal basis. I shall vote for it.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. JOHNSON of Texas. It was my understanding that the Senator from New Hampshire [Mr. BRIDGES] would probably speak for only a few minutes. I did not understand that a ye and nay vote would be requested on the conference report. I hope that the matter can be worked out in a legislative bill, and that we can go ahead and adopt the conference report, because 600,000 veterans will have their checks held up if we fail to adopt it. It seems that we can act on the conference report at this time without a ye and nay vote. However, if there is to be a ye and nay vote, we ought to inform our colleagues who have left the floor. I hope Senators will not insist upon a ye and nay vote and that we will be able to adopt the conference report without a ye and nay vote. If a ye and nay vote is insisted upon, we shall have to notify Senators on both sides of the aisle to return to the Senate. I hope we may be able to vote on the conference report without such a vote, and that the principle can be taken care of on a legislative bill, in connection with which all Senators will be able to state their views.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. HAYDEN. I merely wish to say that a ye-and-nay vote will not accom-

plish anything in connection with the conference report. The report must be agreed to in any event.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. HAYDEN. The amount involved is only for a part of the project. The question which has been raised can be taken up at a later time and the principle involved can be very thoroughly discussed. It can be discussed on a bill which is now pending before the committee. In any event, the conference report before the Senate must be adopted. There is no getting away from that. A ye-and-nay vote would have no more effect than a voice vote.

Mr. CAPEHART. Mr. President, if Senator will yield, I should like to offer a suggestion.

Mr. SALTONSTALL. I believe I still have the floor.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. SALTONSTALL. I should like to answer the majority leader by asking the senior Senator from New Hampshire [Mr. BRIDGES] how he feels about the suggestion made by the Senator from Texas.

Mr. BRIDGES. There is a difference of opinion, among Senators who feel very strongly on this issue, as to whether a record vote should be had. I should think, knowing them as I do, that the intimate friends of TVA—and I am not an enemy of TVA, although I am not one of its warmest friends, such as the Senator from Alabama and the Senator from Tennessee, for example—would wish to have ultimate control in this matter rest in the Congress.

If we can be assured that opportunity will be afforded to consider the principle involved on a legislative bill, to be taken up in the Senate, I will be perfectly willing to have a voice vote on the conference report.

Mr. JOHNSON of Texas. Of course, I cannot assure the Senator from New Hampshire that any committee will take any action on a bill, or that any action by a committee will be approved by the Senate.

Mr. BRIDGES. I know that the Senator from Texas is pretty good in getting what he wants. He gets it in Texas and in other places.

Mr. JOHNSON of Texas. I hope Senators will not pursue their intention to have a ye and nay vote, and that they will pursue the objective they have in mind on a legislative bill instead of on a bill which, if it is not passed, will hold up payments to 600,000 veterans.

In any event, I should like to know what the desires of the Senators are, because I do not want to mislead my colleagues, inasmuch as I have told them that there will not be any more ye and nay votes today.

Mr. SALTONSTALL. The Senator from New Hampshire and I were the two Senators who dissented on the confer-

ence report. I will say that we will agree to a voice vote.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. CAPEHART. The Senators have already agreed on that point. I was about to offer a suggestion in connection with it. I do not believe there is any question about the principle involved, and about Senators being opposed to permitting TVA to do what has been suggested. I am certain they would be opposed to it. I wonder whether we could get an agreement from the leadership that if we adopt the conference report this evening the leadership will use every conceivable effort to get the matter corrected by legislative action.

Mr. JOHNSON of Texas. The leadership has not gone into the matter. I know nothing about the merits of the proposal. I am always glad to give any measure all the consideration it deserves; but I am not going to embrace a proposal about which I know nothing or agree that in return for not having a ye and nay vote I will support a proposal about which I know nothing.

Mr. CAPEHART. I am sure the Senator from Texas would be opposed to it. I am certain of that.

Mr. SALTONSTALL. I may say to the Senator from Indiana that I agree with what the majority leader has stated. I have heard off-the-record discussions by members of the Committee on Public Works, where the bill is now, with reference to some of the problems involved. There are some contentious problems involved in connection with rewriting the TVA Act. Therefore, I do not assume that we will have such a bill before us at this session.

But I think and I hope, Mr. President, that by this record we shall convince the majority of the TVA that they should ask the Congress for funds.

Mr. HOLLAND. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. HOLLAND. Mr. President, I congratulate the Senator from New Hampshire and the Senator from Massachusetts on bringing up this matter, and I congratulate them, further, on their position on the question.

Despite the lateness of the hour and the immediacy of the needs which are embraced and supplied by this bill, I do wish to say that I think the RECORD should show that not only this year, but last year also, a decided majority of the Appropriations Committee of the Senate, on a rollcall vote and on a bipartisan basis, went on record with reference to a practice which is supported by the action taken under a report of the House.

Last year there was a report from the subcommittee which would have given authority for the use of revenues for the purposes which have been mentioned, but the Senate Appropriations Commit-



tee voted against it by a decided vote, on a bipartisan basis.

This year the matter came over with a House committee report which would have opened the door wide for the expenditures of revenues of the TVA on the objectives which Senators have discussed, and by a majority vote of the committee it was decided that we could not approve the practice. The committee was not, however, out of harmony with the continued development of the TVA. It voted for an appropriation of \$3½ million.

I hope that an appropriate measure can be passed. I do not subscribe to the view that the committee is going out of the appropriating business. I feel very keenly about the matter. I addressed inquiries, in the discussion of this matter in the committee, to those who should have known what was involved in the plans for the steam plants which have already been constructed and which, under the ruling of counsel, can be increased by additional units paid for out of the revenue funds of the TVA.

The best information I could get was that they were not specifically described in the authorization, but only in a very general way. Senators are probably in complete accord with the facts in stating that such expansion by adding new units can go on ad infinitum by the use of revenue funds coming to the TVA.

Mr. President, that kind of a proposal is so completely out of accord with sound legislative procedure in the control of revenue measures by the Congress and with the continued responsibility of Congress for the development of TVA or any other great public enterprise, that I do not believe any Senator can support the continuance of that sort of practice.

I am hopeful, Mr. President, that we shall be able to consider the question in connection with a legislative measure. I wish to make it very clear for the RECORD that in both of the years recently behind us the Senate Committee on Appropriations, by a decided majority, has taken the position which I have just mentioned, and I have no reason to think it will cease to take that kind of a position.

I wish the record to show affirmatively, if any affirmative showing is necessary or can be effective so that those who read can see what has happened, that the Appropriations Committee does not subscribe to this loose and, I think, illegal, practice that the committee by a decided majority does not propose that the practice be continued, and that it will do all within its power, at least by a majority vote, to regularize the procedure.

Mr. HICKENLOOPER. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield.

Mr. HICKENLOOPER. Mr. President, I wish to commend the Senator from New Hampshire and the Senator from Massachusetts for an able exposi-

tion of this particular situation which I think is not only dangerous but is abhorrent from the standpoint of any kind of sound legislative practice, from an appropriation standpoint, in connection with the control by Congress of the purse strings of government.

If we should have a record vote I would have to vote against the conference report as a matter of principle, on this one item alone. But I assume that we shall not have a record vote.

In many ways it is a completely reprehensible policy, in principle, to permit an independent agency to spend its own money without the permission of the Appropriations Committee of either body of the Congress. Without doubt, that practice is one which, if continued, must be repudiated, or it will certainly rise up to smite us in connection with every agency of the government.

Mr. MUNDT. Mr. President, will the Senator from Massachusetts yield?

Mr. SALTONSTALL. I yield to the Senator from South Dakota.

Mr. MUNDT. Mr. President, I wish to congratulate the Senator from Massachusetts [Mr. SALTONSTALL] for the perseverance with which he has held his position in the committee.

I should like to associate myself with the remarks made by the distinguished Senator from Florida [Mr. HOLLAND].

Speaking as one member of the Committee on Appropriations, it seems to me that we must be very, very careful not to abandon the American concept of control of the purse strings by Congress. We must be very careful not to relinquish that control.

Speaking as one who has frequently voted for TVA appropriations and who would be inclined to vote for such appropriations in the future, I think TVA is itself making a most serious mistake in accepting a decision made by a technical lawyer.

I salute the Senator from New Hampshire and other Senators who have held to their position. I agree that it is difficult to create a legislative decision on a conference report which involves vital money for important agencies of government; and before the Senate recesses I hope the appropriate committee will bring forth a measure which will give us an opportunity to decide by a yeand-nay vote whether the Senate wishes to capitulate its responsibility of control over the purse strings of an appointive agency, or whether it does not. This is an election year, and the people should have a right to know what their representatives think about this question before next November.

Mr. SALTONSTALL. I thank the Senator from South Dakota. I think the reasons for our position have been made clear.

Mr. President, I yield the floor.

Mr. GORE. Mr. President, I give notice to my colleagues that I shall not detain them for more than a very brief period of time. I could not, however, fail to give, at least, some facts on this

issue. With all due respect to the many expressions which have been made, I wish to say, in all sincerity, that I do not think I have ever heard as much misinformation or such a one-sided presentation of an issue in the short time I have been a Member of the Senate. Such terms as "blackmail," "reprehensible," "Frankenstein," and others have been used.

Does the Senate know who disagrees with the interpretation of the law just presented to the Senate? The Comptroller General of the United States, the Republican chairman of the subcommittee that wrote the amendment in question, the chairman of the House committee, the chairman of the Senate committee. I helped to write it and I certainly disagree.

In this instance, the Bureau of the Budget, in the Office of the President of the United States, agrees that additional power is needed.

I hope Senators will not be prejudiced against the TVA because of a one-sided presentation.

Mr. BRIDGES. Mr. President, will the Senator from Tennessee yield?

Mr. GORE. In a moment.

The able Senator from New Hampshire [Mr. BRIDGES] said, on the one hand, that this was unprecedented; on the other hand, he said it was not new. It is not new; it is entirely precedented. Authorization for use of receipts was written into the TVA Act in 1933. Were I not reluctant to take the time of the Senate, I would read it. The procedure now being used is one which has been followed year after year, with the approval of the senior Senator from New Hampshire, and with the approval of the House and the Senate.

There are legal requirements which this Government corporation must meet. It must meet its amortization requirement; and after the amortization requirement is met, after all the pay-back schedules have been met—and the TVA is far ahead of schedule—the law then gives to the board of directors discretion in the use of the remaining funds. In the exercise of that discretion, the directors have paid into the Treasury far ahead of schedule; but they have also replaced transformers; they have added new transmission lines and have added generating units; and then, for another example, the TVA took its own earnings, using its discretion, and completed the Watts Bar plant with its own revenue, after Congress had appropriated funds for its initiation and partial construction.

Congress may want to change the law. Congress has the right to change the law.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GORE. I yield.

Mr. JOHNSON of Texas. Let us change it some other day. We have had a long day. It is almost 7 o'clock. The Senator from New Hampshire has agreed that the Senate may vote on the conference report. The matter will be pursued



through the proper legislative committees, where I am sure it will receive fair consideration.

Let us have a vote on the conference report, and then get on to the farm bill.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The question is on agreeing to the conference report. [Putting the question.]

The Chair is in doubt.

Mr. McCLELLAN. Mr. President, I ask for a division.

The PRESIDING OFFICER. All in favor of agreeing to the conference report will please stand.

Those opposed to the conference report will please stand.

The Chair is still in doubt.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that I may withdraw my request for a division.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair) laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 10004, which was read as follows:

IN THE HOUSE OF  
REPRESENTATIVES, UNITED STATES,  
May 16, 1956.

*Resolved*, That the House recede from its disagreement to the amendments of the Senate numbered 11, 12, 16, 17, 21, 22, 23, 26, 28, 30, 34, 39, 40, 44, 45, and 61 to the bill (H. R. 10004) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes," and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 9 to said bill and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert:

"SHIP CONSTRUCTION

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the number of cargo ships for replacement, for

which payment may be made for construction-differential subsidy and national-defense features, is increased from five to ten; and the authority contained in that act for the Vessel Operations Revolving Fund is amended to include the following: 'for activation, repair, and deactivation of merchant ships chartered under the jurisdiction of the Secretary of Commerce'."

That the House recede from its disagreement to the amendment of the Senate numbered 24 to said bill and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"For an additional amount for 'Construction', \$3 million, to remain available until expended."

Mr. HAYDEN. Mr. President, I move that the Senate concur in the amendments of the House to Senate amendments Nos. 9 and 24.

The motion was agreed to.

Mr. HAYDEN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a comparative statement of budget estimates and amounts recommended in the bill as agreed to in conference.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

## H. R. 10004, SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

## Comparative statement of budget estimates and amounts recommended in the bill

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
<b>DEPARTMENT OF AGRICULTURE</b>					
S. 112	Agricultural Research Service, salaries and expenses.....	\$5,294,000	\$3,794,000	\$5,519,000	\$4,766,220
330	Agricultural Conservation Program Service.....	(1)	(1)	(1)	(1)
330	School Lunch Program.....			10,000,000	
330	Farmers' Home Administration:				
	Loan authorizations.....	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
	Salaries and expenses.....	1,620,000	1,350,000	1,620,000	1,500,000
330	Commodity Credit Corporation, administrative expenses.....	(4,964,000)	(4,500,000)	(4,964,000)	(4,750,000)
	Total, Chapter I.....	6,914,000	5,144,000	17,139,000	6,266,220
<b>DEPARTMENT OF COMMERCE</b>					
330	Bureau of the Census, salaries and expenses.....	2,428,000	2,428,000	2,428,000	2,428,000
330	Maritime activities:				
	Ship construction.....	(2)	(2)		(7)
	Operating-differential subsidies.....	30,000,000	30,000,000		30,000,000
353	War Shipping Administration liquidation.....	(3)		(3)	(3)
330	Bureau of Public Roads:				
	Federal-aid highways.....	100,000,000	100,000,000	100,000,000	100,000,000
	Forest highways.....	4,000,000	3,000,000	3,000,000	3,000,000
330	National Bureau of Standards, plant and equipment.....	(9)	(9)	(9)	(9)
<b>INDEPENDENT AGENCIES</b>					
<b>SMALL BUSINESS ADMINISTRATION</b>					
S. 112	Revolving fund.....	20,000,000		20,000,000	20,000,000
	Total, Chapter II.....	154,428,000	133,428,000	123,428,000	153,428,000
<b>AMERICAN BATTLE MONUMENTS COMMISSION</b>					
330	Dedication of World War II Memorials.....	140,000	140,000	140,000	140,000
<b>COMMISSION ON GOVERNMENT SECURITY</b>					
330	Salaries and expenses.....	200,000	200,000	200,000	200,000
<b>CORREGIDOR BATAAN MEMORIAL COMMISSION</b>					
330	Salaries and expenses.....	61,000	56,000		56,000
	Total, Chapter IV.....	401,000	396,000	340,000	396,000
<b>INDEPENDENT OFFICES</b>					
<b>CIVIL SERVICE COMMISSION</b>					
330	Salaries and expenses.....	(8)	(8)	(8)	(8)
330	Investigations of United States citizens for employment by international organizations.....	119,000	107,100	107,100	107,100
330	Annuities, Panama Canal construction employees and Lighthouse Service widows.....	70,000	70,000	70,000	70,000
330	Administrative expenses, employees' life insurance fund.....	(3)	(3)	(3)	(3)
	Total, Civil Service Commission.....	180,000	177,100	177,100	177,100
<b>FEDERAL COMMUNICATIONS COMMISSION</b>					
330	Salaries and expenses.....	(3)	(3)	(3)	(3)
<b>FEDERAL HOME LOAN BANK BOARD</b>					
330	Administrative expenses.....	(3)	(3)	(3)	(3)
<b>FEDERAL TRADE COMMISSION</b>					
330	Salaries and expenses.....	(3)	(3)	(3)	(3)
<b>GENERAL ACCOUNTING OFFICE</b>					
	Salaries and expenses.....	(3)	(3)	(3)	(3)
<b>GENERAL SERVICES ADMINISTRATION</b>					
330	Operating expenses, Public Building Service.....	4,685,000	4,685,000	4,685,000	4,685,000
330	Refunds under Renegotiation Act.....	4,600,000	4,000,000	4,000,000	4,000,000
330	Acquisition of land and building, Chicago, Ill.....	(10)		(10)	(10)
330	Emergency operating expenses.....	(3)	(3)		(3)
330	Repair, improvement, and equipment.....	(3)	(3)		(3)
330	Operating expenses, Federal Supply Service.....	(3)	(3)		
S. 107	Expenses, general supply fund.....	(9)		(11)	(11)
330	Operating expenses, National Archives and Records Service.....	(3)	(3)		(3)
	Total, General Services Administration.....	9,285,000	8,685,000	8,685,000	8,685,000
<b>HOUSING AND HOME FINANCE AGENCY</b>					
<b>OFFICE OF THE ADMINISTRATOR</b>					
330	Salaries and expenses.....	403,500	398,500	398,500	398,500
330	Housing loans to educational institutions.....	(3)	(3)	(3)	(3)
330	Revolving fund (liquidating programs).....	(3)	(3)	(3)	(3)
<b>FEDERAL NATIONAL MORTGAGE ASSOCIATION</b>					
330	Administrative expenses.....	(3)	(3)	(3)	(3)

<sup>1</sup> Language to continue emergency funds available through Dec. 31, 1956.<sup>2</sup> Plus \$100,000 derived by transfer.<sup>3</sup> Plus \$75,000 by transfer.<sup>4</sup> Plus \$87,500 by transfer.<sup>5</sup> Language repealing limitation on number of ships for which construction differential subsidies may be paid.<sup>6</sup> Language increasing limitation from 5 to 20.<sup>7</sup> Limitation increased from 5 to 10.<sup>8</sup> Language.<sup>9</sup> Language authorizing use of \$15,000 of 1956 funds for land acquisition.<sup>10</sup> Authorizes use of \$3 million by transfer.<sup>11</sup> \$450,000 to be derived by transfer.



## Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
	INDEPENDENT OFFICES—Continued				
	HOUSING AND HOME FINANCE AGENCY—Continued				
	FEDERAL HOUSING ADMINISTRATION				
330	Administrative expenses.....	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )
330	Housing investment insurance fund.....	( <sup>12</sup> )	( <sup>12</sup> )	( <sup>12</sup> )	( <sup>12</sup> )
	PUBLIC HOUSING ADMINISTRATION				
330	Administrative expenses.....	\$1, 525, 000	\$1, 436, 500	\$1, 436, 500	\$1, 436, 500
	Total, Housing and Home Finance Agency.....	1, 928, 500	1, 835, 000	1, 835, 000	1, 835, 000
	INTERSTATE COMMERCE COMMISSION				
330	General expenses.....	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )
330	Railroad safety.....	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )
330	Locomotive inspection.....	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )
	NATIONAL SCIENCE FOUNDATION				
330	International Geophysical Year.....	28, 000, 000	26, 000, 000	28, 000, 000	27, 000, 000
	SECURITIES AND EXCHANGE COMMISSION				
330	Salaries and expenses.....	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )
	VETERANS' ADMINISTRATION				
330	Inpatient care.....	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )
330	Outpatient care.....	3, 882, 200	3, 882, 200	3, 882, 200	3, 882, 200
330	Compensation and pensions.....	20, 000, 000	10, 000, 000	10, 000, 000	10, 000, 000
330	Readjustment benefits.....	185, 000, 000	185, 000, 000	185, 000, 000	185, 000, 000
330	General operating expenses.....	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )
330	Medical administration and miscellaneous operating expenses.....	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )
330	Maintenance and operation of supply depots.....	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )	( <sup>8</sup> )
	Total, Veterans' Administration.....	208, 882, 200	198, 882, 200	198, 882, 200	198, 882, 200
	Total, Chapter V.....	248, 284, 700	235, 579, 300	237, 579, 300	236, 579, 300
	DEPARTMENT OF THE INTERIOR				
	OFFICE OF THE SECRETARY				
S. 105	Research in the utilization of saline water.....	200, 000	200, 000	200, 000	200, 000
S. 105	Oil and Gas Division.....	35, 000	35, 000	35, 000	35, 000
	BUREAU OF LAND MANAGEMENT				
330	Management of lands and resources.....	1, 681, 700	800, 000	1, 200, 000	1, 000, 000
330	Construction.....	2, 000, 000	2, 000, 000	2, 000, 000	2, 000, 000
	BUREAU OF INDIAN AFFAIRS				
S. 105	Education and welfare services.....	2, 000, 000	1, 871, 000	1, 871, 000	1, 871, 000
S. 105	Construction.....	240, 000	240, 000	240, 000	240, 000
	GEOLOGICAL SURVEY				
330	Surveys, investigations, and research.....	1, 650, 000	1, 650, 000	1, 650, 000	1, 650, 000
	NATIONAL PARK SERVICE				
S. 105	Jones Point Bridge.....	500, 000	500, 000	500, 000	500, 000
S. 352	Construction.....	3, 360, 000	3, 000, 000	360, 000	3, 000, 000
	FISH AND WILDLIFE SERVICE				
330	Federal aid in wildlife restoration <sup>13</sup> .....	(13, 467, 468)	(13, 467, 468)	(13, 467, 468)	(13, 467, 468)
	OFFICE OF TERRITORIES				
330	Administration of Territories.....	60, 000	60, 000	60, 000	60, 000
	Total, Department of the Interior.....	11, 726, 700	7, 581, 000	8, 116, 000	10, 056, 000
	DEPARTMENT OF AGRICULTURE				
	FOREST SERVICE				
330	Salaries and expenses.....	8, 213, 500	7, 913, 500	7, 913, 500	7, 913, 500
	INDEPENDENT OFFICES				
330	District of Columbia Auditorium Commission.....	25, 000			
330	National Monument Commission.....	25, 000			
	Total, Independent Offices.....	50, 000			
	Total, Chapter VI.....	19, 990, 200	15, 494, 500	16, 029, 500	17, 969, 500
	DEPARTMENT OF LABOR				
	BUREAU OF EMPLOYMENT SECURITY				
	Mexican farm labor program.....			( <sup>14</sup> )	( <sup>14</sup> )
	BUREAU OF LABOR STATISTICS				
330	Special wage survey.....	( <sup>14</sup> )			
	Total, Department of Labor.....				

<sup>8</sup> Language.<sup>12</sup> Rescission of unexpended balances.<sup>13</sup> Appropriation of receipts. Not included in totals of this tabulation.<sup>14</sup> \$65,000 to be derived by transfer.<sup>15</sup> Request for transfer of \$200,000 from "Unemployment compensation for veterans" was not allowed.



## Comparative statement of budget estimates and amounts recommended in the bill—Continued

II, Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
	<b>DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE</b>				
	<b>OFFICE OF EDUCATION</b>				
330	Payments to school districts.....	\$25,000,000	\$25,000,000	\$25,000,000	\$25,000,000
330	Assistance for school construction.....	9,900,000	9,900,000	9,900,000	9,900,000
	<b>PUBLIC HEALTH SERVICE</b>				
330	Grants to States for poliomyelitis vaccination.....	33,000,000	27,800,000	27,800,000	27,800,000
330	Construction of research facilities.....	3,190,000	3,190,000	3,190,000	3,190,000
	Assistance to States, general.....	55,000	55,000	55,000	55,000
	Communicable diseases.....	55,000	55,000	55,000	55,000
	Sanitary engineering activities.....	70,000	70,000	70,000	70,000
	Foreign quarantine service.....	20,000	20,000	20,000	20,000
	Retired pay of commissioned officers.....	130,000	130,000	130,000	130,000
	<b>SOCIAL SECURITY ADMINISTRATION</b>				
330	Grants to States for public assistance.....	57,000,000	47,000,000	50,000,000	47,000,000
	Total, Department of Health, Education, and Welfare.....	128,420,000	112,890,000	116,220,000	113,220,000
	<b>NATIONAL LABOR RELATIONS BOARD</b>				
330	Salaries and expenses.....	951,500	800,000	800,000	800,000
	<b>NATIONAL MEDIATION BOARD</b>				
330	Salaries and expenses.....	(16)	(17)	(17)	(17)
	<b>RAILROAD RETIREMENT BOARD</b>				
330	Salaries and expenses.....	[888,000]	[548,000]	[888,000]	[888,000]
	Total, Chapter VII.....	129,371,500	113,690,000	117,020,000	114,020,000
	<b>PUBLIC WORKS</b>				
	<b>DEPARTMENT OF THE INTERIOR</b>				
	<b>OFFICE OF THE SECRETARY</b>				
330	Operation and Maintenance, Southeastern Power Administration.....	235,000	235,000	235,000	235,000
	<b>DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS</b>				
	<b>RIVERS AND HARBORS AND FLOOD CONTROL</b>				
330	Operation and Maintenance, General.....	15,350,000	15,375,000	15,375,000	15,375,000
	<b>TENNESSEE VALLEY AUTHORITY</b>				
	Total, Chapter VIII.....	19,085,000	15,610,000	19,110,000	15,610,000
	<b>DEPARTMENT OF STATE</b>				
330	Payment to Foreign Service retirement and disability fund.....	1,236,000	1,236,000	1,236,000	1,236,000
330	Extension and remodeling, State Department Building.....	900,000	800,000	800,000	800,000
330	Contributions to international organizations.....	349,790	349,790	349,790	349,790
	Total, Department of State.....	2,485,790	2,385,790	2,385,790	2,385,790
	<b>DEPARTMENT OF JUSTICE</b>				
	<b>LEGAL ACTIVITIES AND GENERAL ADMINISTRATION</b>				
330	Salaries and expenses, general legal activities.....	550,000	500,000	550,000	500,000
330	Salaries and expenses, Antitrust Division.....	364,000	364,000	364,000	364,000
330	Fees and expenses of witnesses.....	200,000	100,000	100,000	100,000
330	Salaries and expenses, claims of persons of Japanese ancestry.....	712,000	600,000	600,000	600,000
	Total, Department of Justice.....	1,826,000	1,564,000	1,614,000	1,564,000
	<b>THE JUDICIARY</b>				
	<b>SUPREME COURT OF THE UNITED STATES</b>				
330	Miscellaneous expenses.....	900	900	900	900
	<b>COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES</b>				
330	Travel and miscellaneous expenses.....	(18)	(18)	(18)	(18)
330	Salaries of referees.....	(6,375)	(6,375)	(8,375)	(8,375)
330	Expenses of referees.....	(111,500)	(111,500)	(111,500)	(111,500)
	Total, the Judiciary.....	900	900	900	900
	Total, Chapter IX.....	4,312,690	3,950,690	4,000,690	3,950,690
	<b>TREASURY DEPARTMENT</b>				
	<b>BUREAU OF ACCOUNTS</b>				
330	Salaries and expenses.....	163,000	163,000	163,000	163,000
	<b>COAST GUARD</b>				
330	Reserve training.....	(19)	(19)	(19)	(19)
326	Reserve training, 1957.....	3,500,000	3,500,000	3,500,000	3,500,000
	Total, Treasury Department.....	3,663,000	3,663,000	3,663,000	3,663,000

<sup>18</sup> Request for transfer of \$31,000 from "Arbitration and emergency boards" was not allowed.

<sup>17</sup> Transfer of \$25,000 from "Arbitration and emergency boards."

<sup>18</sup> \$225,000 to be derived by transfer.

<sup>19</sup> \$868,000 to be derived by transfer.

## Comparative statement of budget estimates and amounts recommended in the bill—Continued

H. Doc. No.	Department or activity	Budget estimates	Recommended in House bill	Recommended in Senate bill	Conference action
<b>POST OFFICE DEPARTMENT</b>					
S. 112	Operations.....	\$16,000,000		\$16,000,000	\$16,000,000
<b>THE TAX COURT OF THE UNITED STATES</b>					
330	Salaries and expenses.....	87,000	\$87,000	87,000	87,000
	Total, Chapter X.....	19,750,000	3,750,000	19,750,000	19,750,000
<b>DISTRICT OF COLUMBIA</b>					
330	Federal payment.....	2,000,000			
<b>OPERATING EXPENSES</b>					
330	Metropolitan Police.....	(240,000)	(240,000)	(240,000)	(240,000)
330	Department of Public Health:				
330	Medical charities.....	(150,000)	(130,000)	(150,000)	(150,000)
330	Freedmen's Hospital (1954).....	(137,489)	(137,489)	(137,489)	(137,489)
352	Public Welfare:				
330	Public assistance grants.....	(250,000)	(250,000)	(250,000)	(250,000)
330	National Training School for Boys (1955).....	(337,000)	(327,000)	(327,000)	(327,000)
330	Department of Highways.....	(393,000)	(393,000)	(393,000)	(393,000)
330	Settlement of claims and suits.....	(44,708)	(44,708)	(44,708)	(44,708)
330	Judgments.....	(18,728)	(18,728)	(18,728)	(18,728)
330	Audited claims.....	(85,785)	(85,785)	(85,785)	(85,785)
	Total, Federal funds (Chapter XI).....	2,000,000			
	Total, District of Columbia funds.....	(1,646,710)	(1,626,710)	(1,646,710)	(1,646,710)
<b>SENATE</b>					
	Widow of Senator Harley M. Kilgore.....			22,500	22,500
	Office of the Secretary.....			2,535	2,535
	Contingent expenses of the Senate:				
	Joint Committee on the Economic Report.....			10,914	10,914
	Inquiries and investigations.....			600,000	600,000
	Stationery.....			2,900	2,900
				638,849	638,849
<b>HOUSE OF REPRESENTATIVES</b>					
	Gratuity payment to beneficiary of deceased Member.....		22,500	22,500	22,500
<b>CONTINGENT EXPENSES OF THE HOUSE</b>					
338	Special and select committees.....	400,000	300,000	300,000	300,000
338	Stationery (revolving fund).....	100	100	100	100
338	Attending physician's office.....	1,000	1,000	1,000	1,000
338	Folding documents.....	15,000	15,000	15,000	15,000
<b>CAPITOL POLICE</b>					
338	General expenses.....	1,700	1,700	1,700	1,700
	Total, Chapter XII.....	417,800	340,300	979,149	979,149
<b>JUDGMENTS AND AUTHORIZED CLAIMS</b>					
S. 110 355	Claims, audited claims and judgments.....	2,367,341	1,614,562	2,367,341	2,367,341
	Total, Chapter XIII.....	2,367,341	1,614,562	2,367,341	2,367,341
<b>INCREASED PAY COSTS</b>					
341	Increased pay costs.....	270,814,296	266,771,471	281,121,196	281,098,696
	Total, Chapter XIV.....	270,814,296	266,771,471	281,121,196	281,098,696
	Grand total.....	878,136,527	795,768,823	838,864,176	852,414,896

## AGRICULTURAL ACT OF 1956

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1983, H. R. 10875.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 10875) to enact the Agricultural Act of 1956.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Com-

mittee on Agriculture and Forestry with amendments.

#### AMENDMENT OF MERCHANT MARINE ACT OF 1936, RELATING TO UTILIZATION OF PRIVATELY OWNED SHIPPING SERVICES IN CERTAIN CASES—CONFERENCE REPORT

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately

owned shipping services in connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2286) a bill to amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in



connection with the transportation of privately owned motor vehicles of certain personnel of the Department of Defense, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House and agree to the same.

WARREN G. MAGNUSON,  
JOHN O. PASTORE,  
PRICE DANIEL,  
JOHN M. BUTLER,  
JAMES H. DUFF,

*Managers on the Part of the Senate.*

HERBERT C. BONNER,  
EDWARD A. GARMATZ,  
EDWARD J. ROBESON, Jr.,  
THOR C. TOLLEFSON,  
JOHN J. ALLEN, Jr.,

*Managers on the Part of the House.*

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. KNOWLAND. Mr. President, may I ask the Senator from Washington if the conference report was signed by all the conferees?

Mr. MAGNUSON. It was signed by all the conferees on both sides. It allows the Department of Defense, at the Department's own request, to ship passenger vehicles in available private merchant marine space. Heretofore, they have all been shipped via MSTs.

Mr. KNOWLAND. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

#### ORDER FOR RECESS UNTIL 11 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in recess until 11 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to announce, for the information of the Senate, that it is the plan to convene at 11 o'clock tomorrow morning and to proceed as expeditiously as possible with the consideration of the farm bill.

It is planned to have the Senate remain in session tomorrow evening until a late hour, say, 7, 7:30, or 8 o'clock.

If action on the bill has not been finished by that time, it is planned to have the Senate convene early on Friday in an attempt to complete action on the bill on Friday.

Six or seven appropriation bills will be ready next week; and there will be, also, the road bill and the social security bill—some of the most important legislation which will come before the Senate at this session.

We plan to make this a session of achievement. I want all Senators to be on notice that although the Senate recently has been recessing from Thurs-

day until Monday, from this time forward we shall have to come early and stay late in order to pass some of the more important bills.

I also wish to announce that it is planned to call up the civil service retirement bill at the appropriate time.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. FULBRIGHT. I was very much interested in the statement just made by the distinguished majority leader. How does he propose to make this a Congress of achievement when bills which are passed are vetoed at the White House?

Mr. JOHNSON of Texas. I do not think the bills which will be passed from now on will be vetoed.

#### COMMENDATION OF TIME MAGAZINE'S INTEREST IN WATER RESOURCE DEVELOPMENT

Mr. WATKINS. Mr. President, it is my pleasure today to give recognition to a great national magazine which has demonstrated its knowledge of and sympathetic interest with the paramount need for water resource development in the future growth and economic progress of the semiarid West. I am referring, of course, to Time magazine.

Some 18 months ago, four sparsely settled States of the upper Colorado River Basin were trying desperately to get the Nation's major newspapers and magazines to review objectively the proposed Colorado River storage project. At that time, the heavily subsidized southern California water lobby was spending thousands upon thousands of dollars distributing their own misrepresentations on this project in a variety of cleverly contrived propaganda brochures, many of which did not appear on their face to emanate from a selfish lobby.

A number of newspapers and magazines published this one-sided material, apparently without endeavoring to get the facts or, at least, to present both sides of the story. Others would not recognize that the largest single reclamation project ever proposed was of more than regional interest.

Consequently, the people of the four-State upper Colorado River Basin were extremely pleased when Time magazine, in a cover article on Secretary McKay in the issue of August 23, 1954, correctly assessed the value of water—liquid gold—to the West and included some pictures of Colorado River country. I ask unanimous consent to have this article printed at the conclusion of my remarks as exhibit 1.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. WATKINS. A few months later, in the issue of January 31, 1955, Time devoted a special article to the project. This friendly, well-written account was one of the best articles on the project to appear in a major national magazine, prior to congressional floor action, and I am certain that it made a major contri-

bution to national understanding of and eventual support for the project.

Mr. President, I hereby request unanimous consent to have this second Time article printed at the conclusion of my remarks as exhibit II.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 2.)

Mr. WATKINS. Mr. President, on March 12, after the project had passed the House, Time magazine's publisher, James A. Linen, devoted his Publisher's Letter section to an expression of gratification at the passage of a measure that many other publishers had chosen to regard as essentially a local or regional matter. In that statement he suggested that Time magazine could "associate ourselves with this progressive step." I hereby request unanimous consent that this letter be printed at the conclusion of my remarks as exhibit III.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 3.)

Mr. WATKINS. Mr. President, as an active participant in that 6-year legislative struggle, I most emphatically endorse Time's association in that effort with those who appreciate and love the West, and know our extreme need for water-resource development.

I commend Time and its publisher and editors for this enlightened reporting in the national interest. As this great project unfolds in future years, I think the publisher and editors of Time will take some real personal satisfaction out of their contributions to this partnership effort in natural-resource development.

#### EXHIBIT 1

##### THE OLD CAR PEDDLER

In the vast, air-conditioned, limestone building covering 5 acres of Washington, D. C., which Harold Ickes built for his Interior Department in 1936, there is a sixth-floor suite lovingly planned by Ickes for Ickes. Two private elevators lead to the Ickes suite; 2 Alaskan totem poles flank the entry hall, 55 feet long. Beyond come stenographic offices and then the Secretary's private office: Walnut-floored, oak-paneled and immense (960 square feet, as much as a 5-room house). Nearby are the private aid's office, private dining room, private conference room (which Ickes sometimes used as his bedroom) and private bathroom (where Ickes used to wipe his feet happily on a bath mat emblazoned with the Republican elephant). In Ickes' enormous room, at Ickes' great, gleaming desk, there now sits a successor who cares nothing for Mussolinian magnificence. Douglas McKay, 61, veteran Chevrolet dealer—"the old car peddler," he calls himself—from Salem, Oreg.

This election year Doug McKay is engaged in a basic political struggle with the shade of Harold Ickes and his heirs. The issue: Federal management of resources versus the Eisenhower slogan of partnership between Government and business. In the West, this conflict is much sharper than in the rest of the United States. The West grew up under the Federal Government's wing. McKay's opponents are betting that it wants to stay there. Eisenhower, McKay & Co. think they see signs that the West, even on such issues as who develops water power, is ready to emerge from Washington's sheltering protection. Control of Congress (six seats in the Senate, about a score in the House) may depend on which of these views is correct.



domestic quotas are to be allocated among domestic producing areas. Under the provisions of the House bill, the first 188 thousand tons of increase in the domestic quota would have been shared between the domestic beet area, the mainland cane area, Puerto Rico and the Virgin Islands in proportion to their present share in the sugar quota. Under the provisions of the Senate bill, adopted by the conferees, the first 165 thousand tons of increase will be divided between the mainland beet and cane areas—51.5 percent to the domestic beet area and 48.5 percent to the mainland cane area. The next 20 thousand tons of increase will be apportioned to Puerto Rico, and the next 3,000 tons of increase to the Virgin Islands. Thereafter, any further increases in domestic quotas will be shared proportionately among all the domestic producing areas, including Hawaii.

(4) With respect to the division among foreign suppliers of the 45 percent of the increase in consumption which will be allocated to foreign countries, a compromise was worked out which was substantially half way between the maximum and minimum quantities allocated to the countries in the two bills. The following table summarizes the provisions of the House and Senate bills and the conference compromise on the basis of the percentage of the total foreign quota

which will be supplied by the major foreign producing areas during the four year life of the bill, assuming an increase in consumption of 135 thousand tons per year.

	House bill	Senate bill	Conference agreement
Cuba.....	92.4	94.4	93.75
Mexico.....	1.4	1.2	1.2
Peru.....	2.5	2.2	2.3
Dominican Republic.....	2.6	1.2	1.75
Other.....	1.1	1.0	1.0
Total.....	100.0	100.0	100.0

In terms of shares in the annual increase in consumption, the 45 percent of that increase which will be assigned to foreign countries will be divided as follows: Cuba, 29.59 percent; Peru, 4.33 percent; Dominican Republic, 4.95 percent; Mexico, 5.10 percent; other foreign countries, 1.03 percent.

The following table is a projection of the formula contained in the bill for the 4-year period covered by the bill, and shows the annual quotas and the cumulative total for foreign countries on the basis of the assumed increase in consumption of 135,000 tons per year:

*Quotas under Sugar Act of 1948, as amended in 1956<sup>1</sup>*

[Short tons, raw value]

	1956	1957	1958	1959	1960	Total, 1957-60
Assumed requirements.....	8,535,000	8,670,000	8,805,000	8,940,000	9,075,000	35,490,000
Total, domestic areas.....	4,545,750	4,620,000	4,694,250	4,768,500	4,842,750	18,925,500
Total, foreign areas.....	3,989,250	4,050,000	4,110,750	4,171,500	4,232,250	16,564,500
Philippines.....	980,000	980,000	980,000	980,000	980,000	3,920,000
Total, Cuba and full-duty countries.....	3,009,250	3,070,000	3,130,750	3,191,500	3,252,250	12,644,500
Cuba.....	2,888,880	2,903,648	2,943,594	2,983,541	3,023,488	11,854,271
Full-duty countries.....	120,370	166,352	187,156	207,959	228,762	790,229
Peru.....	56,224	63,919	69,765	75,610	81,455	290,749
Mexico.....	12,394	27,579	34,464	41,349	48,234	151,626
Dominican Republic.....	29,892	45,320	52,002	58,685	65,367	221,374
Other countries.....	21,860	29,534	30,925	32,315	33,706	126,480
Nicaragua.....	8,472	9,837	10,613	11,387	12,162	43,999
Haiti.....	2,892	5,489	5,771	6,053	6,335	23,648
Costa Rica.....	<sup>2</sup> (1,084)	3,188	3,267	3,347	3,426	13,228
Formosa.....	<sup>2</sup> (1,114)	3,190	3,270	3,350	3,431	13,241
Netherlands.....	<sup>2</sup> (1,123)	3,223	3,317	3,411	3,504	13,455
Panama.....	<sup>2</sup> (1,114)	3,190	3,270	3,350	3,431	13,241
Belgium.....	<sup>2</sup> (182)	182	182	182	182	728
British Guiana.....	<sup>2</sup> (85)	85	85	85	85	340
Canada.....	<sup>2</sup> (631)	631	631	631	631	2,524
Hong Kong.....	<sup>2</sup> (3)	3	3	3	3	12
United Kingdom.....	<sup>2</sup> (516)	516	516	516	516	2,064
El Salvador <sup>3</sup> .....	4,478					

<sup>1</sup> 1955 requirements of 8,400,000 tons plus annual increments of 135,000 tons.

<sup>2</sup> Average 1953-54 charges shown for countries which do not have specific prorations in 1956.

<sup>3</sup> No charges against quotas since 1949.

In agreeing to the Senate provisions with respect to the method of distributing among domestic areas the first 188,000 tons of quota increase provided by the bill, the House conferees were motivated primarily by the urgent need of producers in the mainland cane and beet area for relief from the curtailment in production which has been required of them in the past 2 years. Although the bill does not direct the manner in which this first increase in domestic quotas is to be apportioned among producers, it is assumed that the Department of Agriculture will utilize these first quota increases insofar as practicable to relieve the distress of producers in these domestic areas.

Since enactment of the last previous extension of the Sugar Act, the Commonwealth of Puerto Rico and the Congress have adopted respectively the Constitution of the Commonwealth and the Puerto Rican Federal Relations Act. The committee of conference points out that Section 9 of such Act may be inconsistent with the proper operation of the sugar program in Puerto Rico and suggests that the Puerto Rico

Legislature consider prompt action to resolve this possible conflict.

HAROLD D. COOLEY,  
W. R. ROAGE,  
E. C. GATHINGS,  
T. G. ABERNETHY,  
CLIFFORD R. HOPE,  
AUG. H. ANDRESEN,  
WILLIAM S. HILL,

*Managers on the Part of the House.*

#### RETURN OF CERTAIN LANDS IN THE TERRITORY OF HAWAII

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7186) to provide for the review and determination of claims for the return of lands, in the Territory of Hawaii, conveyed to the Government during World War II by organizations composed of persons of Japanese ancestry, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 5, after line 12, insert:

"(c) If an eminent domain proceeding for the condemnation of the property or any part thereof, for public use is brought by the Territory or political subdivision within the time so allowed by the court, in such eminent domain proceeding, the property shall be valued and the proceeding shall be heard and determined in all respects as if filed upon the date of the original conveyance and as if an order had been made letting the Government into possession on said date: *Provided*, That at its option, the Territory or political subdivision may bring eminent domain proceeding for condemnation of the property or part thereof required for public use without invoking the preceding provisions of this sentence: *Provided further*, That in the event the Territory or political subdivision shall have discharged encumbrances upon the property for which it is entitled to reimbursement as provided by subsection (e), the same may be made a setoff in any eminent domain proceeding brought for condemnation of the property or part thereof required for public use."

Page 5, line 13, strike out "(c)" and insert "(d)."

Page 5, line 22, strike out "(d)" and insert "(e)."

Page 6, line 4, strike out "(e)" and insert "(f)."

Page 6, line 13, strike out "(f)" and insert "(g)."

#### SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

Mr. CANNON. Mr. Speaker, I call up the conference report on the bill (H. R. 10004) making supplemental appropriations for the fiscal year ending June 30, 1956, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of May 11, 1956.)

Mr. CANNON. Mr. Speaker, this is the conference report on the second supplemental appropriation bill, 1956, providing for such deficiencies as usually occur during a session of Congress. Estimates submitted by the Bureau of the Budget aggregated \$835,902,923 and the bill as passed by the House carried \$795,768,823.

The Senate increased the appropriations to the amount of \$838,864,176.

The conference report now before the House recommends a total appropriation of \$852,414,896.

The managers on the part of the House and Senate are in complete agreement on all items in this bill. But there are a number of amendments in technical disagreement which under the rules it is necessary to bring back to the House for consideration.



Mr. Speaker, at this time I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I wish to say a few words about amendment No. 32 on page 24 of the bill before us. In 1948 the following provision was adopted:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects (except for replacement purposes) unless and until approved by act of Congress (61 Stat. 577).

In spite of this legislative provision, the TVA, I understand, has made commitments involving \$178 million upon power projects, in violation of the law, to be paid for out of power revenues. With the adoption of this conference report, which I shall vote against, the violation of the law will be supported by the majority report which was brought in by the Appropriations Committee when this bill was considered on the floor. The views of the minority members of the committee were clearly expressed in the minority report which was then presented and which I am going to insert in the RECORD as a part of my remarks at this time:

#### MINORITY VIEWS

The members of the Subcommittee on Public Works, who sign this minority report, disagree with the action and vote of the majority on the request of the Tennessee Valley Authority for funds with which to build an additional generating unit at the John Sevier plant.

There were 4 possible answers to that request:

(1) To agree, and to appropriate \$3,500,000 in new money, to start construction on this unit. It must be understood this was only the request of the moment. The total needed is \$28 million.

The idea of voting new money to TVA was refused by the subcommittee. The Congress, in the past few years has refused, more than once, to appropriate new money for steam plants or additional units to existing steam plants.

It should be noted that there is still grave doubt, in the minds of able lawyers, and of Members of the Congress, whether there was actually any constitutional authority for the TVA to build steam plants at any time. Since this is a technical legal question, not to be discussed in this minority report, it should definitely be considered by the Congress with the thought of giving authority to take the question to the Supreme Court of the United States. Certainly no more money should be voted to the TVA to build steam plants or additional units, until the question is resolved.

(2) To take the money from its own funds, without further approval by the Congress, and build the additional unit, or any other structures in the future. This was the recommendation of the subcommittee's majority. We disagree. It is the line of reasoning expressed in the opinion rendered to the TVA Directors on September 10, 1955, by the TVA Counsel, Joseph C. Swidler, which, in our opinion, controverts itself. Counsel says, for example:

"This language (meaning sec. 26 of the TVA Act of 1933, as amended) standing alone, is broad enough to authorize use of proceeds for construction of any type of power installations, including steam plants and single-purpose power dams as well as individual generating units and transmission facilities."

The catch words are, of course, "standing alone." The point is that section 26 of the

TVA Act does not "stand alone." It must be read not only with the remainder of the act but also with all other congressional actions (particularly those subsequent to its passage) or limitations thereto.

The citations given by Mr. Swidler, to support his opinion, refer, without exception, to the use of power proceeds by TVA prior to the passage of limitations on such use. We refer particularly to section 104 of the Government Corporations Control Act, which was passed in 1945 and to which a limitation was added in 1948, reading as follows:

"None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress."

Nothing could be clearer, to us, as to the intent of the Congress. However, Counsel for TVA offers this interesting interpretation (says Mr. Swidler):

"In thus prohibiting the use of revenues for construction of 'new power producing projects' without prior congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities."

We challenge the use of the word "clearly." To us, the language is a definite prohibition, and if it is to be reinterpreted for the benefit of the TVA, this should not be by TVA's own counsel alone, but either by the Congress or the courts, or perhaps by both, as we have indicated above.

This opinion and interpretation have already been challenged in the Congress in part by Members sympathetic to the Tennessee Valley Authority. We suggest the reading of the CONGRESSIONAL RECORD of July 13, 1955, at pages 8938 and 8939; also of the RECORD of July 14, 1955, at pages 10005 and 10009, and of the RECORD of August 2, 1955, at page 11254.

It would be well, in view of the present request for new money, and the ensuing discussion, for all Members of Congress to reread the testimony of the then-TVA Directors in 1935, in which the witnesses testified to the intent of TVA policy and their own opinions as to TVA's obligations. For example, Mr. David Lillenthal testified, regarding the way TVA would set the power rates:

"These rates are based on certain principles, and the first principle is that the consumers of electricity must pay all the operating cost of furnishing that electricity, without any contribution whatever from taxpayers."

"Second, that consumers of electricity, the people who pay the rates, shall pay taxes, through the rates, which, of course, is the way all utility operations pay taxes equivalent to the national average of taxes, local, State, and Federal, paid by private-owned utilities. Municipalities which purchase power from the Tennessee Valley Authority plant at the Wilson Dam and resell it in turn, at retail to their citizens also pay taxes, as required by their contract with the Authority, and those taxes are also equivalent to the amount a private utility would pay, a private utility in that community."

"Third, depreciation and amortization are provided for, both by TVA and by the municipalities. As to TVA, the rates charged include a margin to offset depreciation from year to year, so that in the course of years there is a reserve adequate to rebuild the plant as a new plant; and there is also a surplus which, if Congress so desires, can be used to pay back into the Treasury not only the present value of this depreciated wartime property, but also every penny of the original investment put into the property in order to defend this country against its enemies."

"Fourth: Interest is charged."

Dr. A. E. Morgan, the first TVA chairman, expressed his opinion of TVA power operations and rates in these words:

"They must be fair, with no special arbitrary advantage; they must pay taxes, just as private utility companies must do, and every other reasonable charge if they are to provide us with a fair comparison."

He refers of course to the "yardstick" theory, so often advanced by TVA and its supporters. We hardly need add that any resemblance of present TVA policies, including the current request for an appropriation to build the John Sevier unit, to the original testimonies on the basis of which the TVA Act was passed, is entirely coincidental.

(3) To permit the TVA to issue its own revenue bonds, to cover the \$28 million it estimates it needs for this unit. Whatever icing may be spread over this proposal, it means essentially that these bonds, directly or indirectly, now or in the future, will be obligations of the United States Government, just as surely as if we had approved the original request for new money and then gone out and secured that money by borrowing it (with interest) or by taxing the people of the 48 States for it. This has been so often refused in recent years by the Congress that to propose it now, somewhat disguised, seems to us to be completely out of order.

Whether or not the TVA shall be permitted to set itself up as an independent agency, or utility, furnishing power in a designated area, paying local, State, and equivalent Federal taxes and interest, underwriting its operations from its own income, adjusting its rates to meet its needs under such incorporation, borrowing money to expand or replace its facilities, is a matter now before the proper legislative committees in this Congress. Certainly, if the TVA is to be given the right to its independence and to operate as any power utility operates, then it might properly have the authority to issue bonds. In that case, however, they would not be bonds of the United States adding to our already topheavy national debt: they would be bonds of a utility corporation, not of the autocratic power empire envisioned in the opinion of the TVA counsel and other TVA proponents. Such bonds would be sold to the public, as the bonds of any power utility are marketed. This is a reasonable suggestion; any idea that we should permit the TVA, an agency of our United States Government, to issue revenue bonds which would become contingent obligations of the United States is unthinkable.

If the TVA desires independence, let it separate its power functions from its other functions, if necessary, and then issue bonds for its entire power construction debt in the past. It would, by such a bond issue, with repayments determined, and on which it would pay interest, assume the financial responsibility for all money already advanced by the Treasury (or in other words by the taxpayers, the great majority of whom in no way benefit from this expenditure); pay normal interest thereon, and secure complete independence, with the pride and integrity which accomplishes independence.

The responsibility to recommend that such authority be given the TVA lies with a legislative committee, not with the Committee on Appropriations.

(4) The proper choice, in our opinion, is to follow the course already adopted by Memphis, the first of the captive municipalities to take itself out from under TVA bondage. This statement is made advisedly; under TVA contracts, no other power may be bought in its area, nor can a distributor provide power from its own or any other source, without TVA permission. Even the rates charged its customers, by the distribu-



tors of TVA power, may be set only with the approval of the TVA. Memphis has proved that this choice is feasible; it should be followed by other distributors in the TVA area.

The request of the TVA, for money to build an additional unit at the John Sevier plant, should simply be denied.

It must be understood that this in no way denies TVA any power for legitimate uses. The United States has first call on its power for its needs. TVA can, in case of emergency, secure power from the surrounding utilities, all of which are now tied in with the TVA grid. The TVA has bought such power in the past.

Actually, the immediate request is for a unit which would produce approximately 180,000 kilowatts of power. One private industry in Tennessee alone is currently asking for 235,000 kilowatts, for expansion, yet this industry, by name, announced through the press 3 months ago, that it intended and was fully prepared to build a plant for itself to supply the needed power. It was "entitled" (to quote the newspaper reports) to change its plan and expand in the TVA area, with the Federal Government expected to pay for the plant for added power.

Certainly, whatever else may be argued about the intent of Congress in 1933, there must be unanimous agreement that Congress never contemplated an authorization to 'entice' industries into the TVA area, by offering power, sold at subsidized rates, and produced in steam plants. TVA itself, in the answer filed in the 18 company suit, January 8, 1937, implied it had no such authority and denied any such intent.

None of the requested additional power, therefore is to be used for national defense, nor for the needs of the Federal Government; this is an effort to draw industries into the TVA area, at the expense of the taxpayers of the other States where local, State, and Federal taxes are paid on power revenues.

We believe the request should be denied by the Congress.

GLENN R. DAVIS.  
BEN F. JENSEN.  
JOHN PHILLIPS.  
T. MILLET HAND.  
JOHN TABER.

The report of the Senate committee took the same position that the minority in the House took. That provision I have in front of me, and it appears at page 17 of the Senate committee report.

The adoption of this conference report means that without having the question of the interpretation of the law settled and without having it definitely understood that whenever the TVA or any other Government agency wants to go ahead and spend a lot of money, that they will come to the Congress for an appropriation or for legal authority to use funds for the particular purpose.

I do not think that Congress is meeting its responsibility when it permits any board, no matter who it is or what it relates to, to have jurisdiction over whether 400 or 500 millions of dollars be expended. It is not doing the right thing by itself or the processes of representative government when it is a law unto itself.

The only honest way that the TVA can be allowed to operate is by procuring its authority in the proper way from the Congress of the United States by the passage of laws which either appropriate money or deliberately permit the expenditure of funds that are in the hands of the corporation.

In the first place, I am going to ask the Comptroller General to enforce the law. These expenditures and operations are

illegal and under the provisions of the Corporation Control Act it is their duty to stop it.

If that does not produce results, I am going to ask the proper legislative committees to review the situation and pass legislation which will properly bring about the result which the Congress thought it was bringing about in 1948 when the language which I quoted above was adopted.

Those who favor public power are making a great mistake in the manner in which they are treating the TVA because if there is to be public power in the TVA, it should be on the basis that they are paying interest on the money that they have had the use of, a proper amortization charge to pay back the Government's investment, their operating and maintenance expense, and a fair equivalent of what a similar utility would pay in taxes. If they would make that approach to the Congress it would improve their general standing.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. HALLECK. I want to associate myself first of all with the gentleman's very able statement, a statement which I am sure speaks the facts and the law. Now, the unfortunate thing is that when this measure was first before us we were confronted not with legislation subject to amendment but by a statement in a report of a majority of the Committee on Appropriations. As everyone knows, you cannot amend a report on the floor. An attempt to get at the matter by direct legislative action would not have been in order because it would have been legislation on an appropriation bill. I state this only because I am absolutely confident that if the Members of the House had had an opportunity to express themselves they would have made it clear and unequivocal that TVA cannot apply its power revenues to the building of new steam plants, and certainly not without direct legislative approval.

May I say this further, with the gentleman's permission? All of us recognize that there will be necessity for added power-producing facilities in the Tennessee Valley. How are those added facilities to be provided? The administration's recommendation is that legislation should be enacted giving to TVA the right and the authority to issue revenue bonds. That is based on the proposition that some time TVA must come of age, and when it has come of age, matured, then it should get the money and pay interest on it, just as anybody else has to do.

The other suggestion that has been made from time to time is that the Congress continue to appropriate money, which simply means that the taxpayers of my part of the country, of the Middle West, of New England, of the West, further subsidize the below-cost production of power for that area.

The Congress of the United States has spoken definitely against that approach.

Then what is the resort here to be had? It is that the power revenues are to be used for further expansion. The gentleman has very ably stated that the

Congress of the United States, whatever process is used, ought to remain in control. I cannot for the life of me understand the reasoning of those who support this proposition now who last year said that TVA is the child of the Government, the Federal Government, and it has to continue to provide the money, another \$100 million, for a steam plant at Fulton, who now say that TVA is not the creature of the Government, that TVA can do with its funds whatever it wants to do.

Actually, TVA, as the gentleman has pointed out, has no legal right to spend these funds in this fashion. It has no moral right to spend them, because those funds are not the property of TVA. They are in the United States Treasury today. They are the property of the taxpayers of this country who have put \$1,500,000,000 into TVA on which TVA has never paid the first cent of interest.

What TVA ought to be doing is to pay money back to the rest of the taxpayers instead of spending more of the taxpayers' money. Actually, if TVA is to be permitted to apply these power revenues to the building of additional steam plants, then they will be accomplishing the same thing by indirection that the Congress has said in recent years time and again that they cannot do, which is to require the taxpayers all over the country to build further steam-producing facilities in the Tennessee Valley.

So far as I am concerned, Mr. Chairman, if TVA as it is presently governed, insists on going ahead and spending this money, one day I hope they shall be brought to account, because they have no legal right to spend the money; they have no moral right to spend the money and if Congress permits it to be done it is an abdication of congressional responsibility. As I say, one day they shall be held to account.

The SPEAKER. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, I am wondering how many Members of the House realize that the conference report before us relates in part to a question of whether the Congress shall retain its proper control over the expenditures of hundreds of millions of dollars by the TVA, or whether it is to abdicate in favor of a TVA board of 3 men, not elected, but simply appointed by the President.

In 1947, when I was chairman of the Government Corporations Subcommittee of Appropriations, I was instrumental in getting enacted a limitation on the expenditures of TVA power revenues for new generating facilities. As I stated on the floor at the time of the debate on the Government corporations appropriations bill for 1948, the restriction placed therein was for the purpose of preventing construction for capital improvements to the TVA system without prior approval of Congress. I quote:

They have to come before the Congress each year to get permission to spend for capital improvements if this bill becomes law. (P. 6806, CONGRESSIONAL RECORD.)



The gentleman from New York [Mr. TABER] has just explained the limitation which the Congress placed on expenditures for capital improvements.

The Tennessee Valley Authority, according to law, can spend their revenues for replacements only. Certainly a new unit, a new steam plant, can by no stretch of the imagination be called a replacement.

Many of my colleagues know that the Tennessee Valley Authority was brought forth in 1933 as a navigation, flood-control, and river-development agency wherein electric power was to be incidental thereto. In the early years Congress was hoodwinked by the testimony of the TVA officials into thinking that there was to be an end to the construction program of the TVA. Of course we now know that these TVA officials and the TVA proponents had no such illusion. However, as Raymond Moley said:

This grand design, however nobly conceived, could hardly have been sustained either by a reasonable obedience to the Congress or by the Supreme Court at that time. Hence the early requests for appropriations were, in the light of what happened later, relatively modest, and the professed purposes in the bill submitted to the Congress were hardly descriptive of the immense authority which eventually took form. To suggest that there be lavished vast treasure on a relatively small section of the Nation at the expense of all would have aroused opposition of other sections that would have quickly manifested itself in Congress. Such a stupendous piece of paternalism could never have been squeezed through the Constitution despite the fact that the general welfare clause was already opening a crack which would later turn into a veritable breach.

How much further are we to go? Is Congress to surrender its responsibility and let TVA go its merry way, to spend without restraint its ever-increasing power revenues amounting to hundreds of millions of dollars annually? I personally think the time has come for Congress to assert its authority and require the TVA to obtain approval for the expenditure of Federal funds.

They claim, of course, that it is their funds they are spending because they come from power revenues. They forget the fact that the TVA is supported by the taxpayers of America, hence it is the taxpayers' responsibility to see to it that the Congress of the United States, their representatives, see to it that the money is properly spent by TVA, whether it be revenues of TVA or appropriated funds. One of my colleagues from the TVA area has said that the TVA is merely using its power revenues which come from the people of the TVA who use TVA electric power. Surely he knows, just as we know, that 60 percent of TVA power revenues in 1955 came from the pockets of the taxpayers of every section of the United States in paying for the TVA power used by the Federal agencies such as AEC.

The people of my State are willing to pay their fair share of taxes to the Federal Government for those things that are necessary for the preservation of our Republic and its free-enterprise system. They are willing to pay for the

electric power that lights their homes and operates their industries and farms because they know it is the cheapest and one of the best commodities they can buy, whether or not they buy it from private utilities who pay a big Federal tax or from others. However, my people do not want to pay taxes to be used to help pay for the electric light and power bills for people of other sections of the Nation, nor do they want their taxes used to subsidize electric power to heat over 130,000 homes in the Tennessee Valley or to be used to entice industry into the TVA area, which they are doing this very minute. The State of Tennessee is advertising all over America: Come to the Tennessee Valley with your industries to take advantage of the cheap power of TVA. And so not only my State but many States of the Union are losing industry to Tennessee because we are subsidizing their electric power costs. The time is long past due when the TVA power rates should provide for interest on the American taxpayers' investment in TVA power facilities which now totals approximately \$1½ billion of appropriated funds. Surely it is not asking too much to insist that the power users of the TVA pay rates that provide for taxes equivalent to that paid by the folks in other parts of the United States of America. Section 8 of our American Constitution says in plain words that there must be equality of taxation.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. BAKER].

Mr. BAKER. Mr. Speaker, additional generating units at John Sevier steamplant in East Tennessee and New Johnsonville steamplant in west Tennessee were recommended by President Eisenhower and the Budget Bureau.

They are essential to national defense.

TVA is far ahead of its statutory repayment schedule to the Treasury of the United States.

TVA has surplus funds obtained by power revenues to pay for these units. It is good business practice to permit it to do so, to install these needed units on a pay-as-you-go plan.

This practice would be followed by General Electric, Westinghouse, General Motors, the Aluminum Company of America, or Commonwealth Edison.

Why not TVA?

Is prejudice against TVA to be permitted to becloud your good business judgment on the advisability of the pay-as-you-go plan?

I do not favor giving the TVA Directors blanket authority to expend power revenues. They should report all such proposed expenditures to the Congress, which represents the owners of TVA, the people of the United States.

Expenditure of power revenues by TVA for necessary additional power requirements should be approved by the Congress.

The recommendations of President Eisenhower and the Budget Bureau recognize the need of additional electric power by Tennessee Valley Authority for national defense and the maintenance of the normal industrial, commercial,

and residential requirements in the area served by TVA.

I urge adoption of the conference report.

The Public Works Committees of the House and Senate should promptly conduct hearings and report legislation covering this subject and clarifying the basic act; and should report legislation authorizing TVA to issue revenue bonds to finance its necessary additional power requirements, and get rid of this annual controversy.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I yield to my colleague, the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. I simply want to request the gentleman to emphasize the important point which he made in his statement, that the Tennessee Valley Authority is repaying these funds advanced by the Federal Government and is well ahead of schedule in the repayment of those funds; is that not correct?

Mr. BAKER. That is certainly true.

Mr. COOPER. And it is also true that the plan proposed to provide additional power facilities out of the power revenues of the TVA is on a sound, business basis.

Mr. BAKER. I certainly feel that way about it.

Mr. COOPER. And bear in mind that these power revenues are derived from payments made by the people in the TVA area for the power used by them and constitute the working capital which is needed by the TVA to carry forward this program.

Mr. BAKER. The gentleman certainly is correct and I thank him for his contribution.

Mr. BASS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I yield.

Mr. BASS of Tennessee. I would like to commend my colleague from Tennessee for the fine statement he has made on this subject. He has certainly been an able representative of the TVA area. I want to commend him, but I would like very much if he would move Johnsonville back into the middle of Tennessee instead of west Tennessee.

Mr. REECE of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. BAKER. I yield.

Mr. REECE of Tennessee. I am glad the gentleman emphasized the fact that TVA is meeting its payments to the Federal Government. I would like to also emphasize the fact that the greater percentage of the power now generated by TVA facilities is going for national defense. It is very difficult for new industry to locate in the State of Tennessee because it is unable to get power made available to a new industry, with the result that at the present time, contrary to the statement of the gentleman from Iowa [Mr. JENSEN], the new industries being established in the South are established outside of the periphery of the TVA.

The SPEAKER. The time of the gentleman from Tennessee [Mr. BAKER] has expired.

Mr. CANNON. Mr. Speaker, I yield the gentleman 3 additional minutes.



Mr. BAKER. I yield to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. I felt that the gentleman intended to put into his comments some statement regarding interest, because I think the TVA should pay interest on the money it borrowed. For example, although the TVA has paid back \$186,500,000 on the \$1½ billion which it borrowed, it has not paid back enough to pay what the Federal Government has paid out in interest on the loan.

Mr. BAKER. May I say in response to the gentleman from California, and the gentleman from Indiana [Mr. HALLECK] if you put the TVA on its own feet I think it will meet all competition and all requirements of private industry.

I yield to the gentleman from Tennessee.

Mr. REECE of Tennessee. And for that matter pay all the money that has been advanced to the TVA for power development if it is given authority to issue revenue bonds. But I think it ought to be made clear that in this conference report there is not involved the overall question of permitting the TVA to spend its revenue willy-nilly, as the gentleman from Indiana [Mr. HALLECK] said, but that it applies specifically to this additional unit at an existing steam plant.

I wish to commend my able colleague and friend, Mr. BAKER, not only for this splendid speech but also for his effective service to the TVA on all occasions.

Mr. BAKER. I agree with that. We should look at it from that standpoint, and later in this session have legislation on the whole subject.

I yield to the gentleman from Iowa.

Mr. JENSEN. The gentleman from Tennessee knows that since the TVA was established the Congress has appropriated over \$2 billion of the taxpayers' money for the development of the TVA. The gentleman will agree that that is right, will he not?

Mr. BAKER. A little over \$1½ billion.

Mr. JENSEN. Oh, no. It is nearer \$2 billion.

Mr. BAKER. Perhaps so.

Mr. JENSEN. The gentleman knows, of course, that when Congress appropriates \$50 million for the TVA for any one year it is not difficult for the TVA to write another check back to the Treasury of the United States for \$20 million.

Mr. BAKER. But I would like to say this. I am not advocating further appropriations from the Federal Treasury. Put the TVA on its own feet, just like any other corporation.

Mr. JENSEN. That, in my opinion, is treading on dangerous soil, for this reason: The Congress of the United States has never given any agency of Government the power to issue revenue bonds, and I hope it never will.

Mr. BAKER. Mr. Speaker, I refuse to yield further for the only reason that I must make my own position clear. As I stated in my opening statement the stockholders and owners of the TVA are the people of the United States. The directors should report to Congress proposed unusual expenditures from the revenues before they make them and

have approval of Congress, but have no more appropriations. You created the baby; let it live.

Mr. JENSEN. I will venture the assertion that your revenue bond program will get exactly no place in Congress.

Mr. CANNON. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, I wish to associate myself with the statements made by the gentleman from New York [Mr. TABER], and the gentleman from Iowa [Mr. JENSEN], and the gentleman from Indiana [Mr. HALLECK]. I am convinced, having been a member for 10 years of the subcommittee which has appropriated the money for TVA, that the people of the United States do not wish the Congress to abdicate its control over this agency.

I shall vote against the conference report.

The most important item, from a policy standpoint, in the report, is the provision which would permit the Tennessee Valley Administration to use its own funds to build new units, and to do this without the approval of the Congress. This would give the TVA the right to expand its power facilities without congressional approval, as required by earlier acts of the Congress, just so these new facilities tie in with an existing plant.

The power revenues of the TVA belong to the people of the United States, who have put up the money to build TVA and to underwrite its annual deficits. The supporters of this monopolistic enterprise have always been the first ones to insist on the idea that the TVA belongs to all the people.

I can illustrate the situation by using the Johnsonville steam plant as an example. It was presented to the Congress as a three-unit plant, to generate 375,000 kilowatts. We are told that adding units is like plastering a room that has been left unfinished because that room was not needed when the house was built.

In the Johnsonville plant, the TVA has therefore plastered an unfinished room to double the original capacity—to 750,000 kilowatts. That is not the end. Under letters of intent to the manufacturers, which the TVA failed to mention when its officers testified on this very appropriation bill, the TVA proposes additional plastering to the tune of another 500,000 kilowatts.

To my mind, increasing a plant capacity from 375,000 kilowatts to 1,250,000 kilowatts is a far cry from plastering a room that was left unfinished. If TVA can go from 375,000 to 1,250,000 kilowatts, without the approval of the Congress, what is to be the limit at this plant, and what is to prevent a like expansion at other plants?

This is the issue before us today. I do not think the taxpayers of the 40 States not in the subsidized area will like this idea, nor do I think they will like the idea of having TVA entice private industry into the TVA zone by offering subsidized power, particularly, as in the case of one recent industry, when the industry fully intended to build a power-

plant, at its own expense, in another State.

The taxpayers of the 40 States have put up \$1.3 billion to build the powerplants of the TVA system. On this account, TVA has paid back \$186,500,000, including fiscal year 1956. If TVA had paid simple interest alone on the money advanced, it would have amounted to \$210 million. Since the United States pays compound interest, that figure should be about \$240 million. TVA is not breaking even.

I do not think the taxpayers want to continue to subsidize TVA and I think they want even less to have the Congress abdicate its control of this bureaucratic empire. This, as I said, is the issue today.

(Mr. PHILLIPS asked and was given permission to revise and extend his remarks.)

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Speaker, there are a few salient and significant facts in this continuing controversy that are worth repetition. We have just heard the distinguished gentleman from New York [Mr. TABER] state that he is going to see to it that the Comptroller General enforces the law with respect to the TVA. He implies that the authority is not being operated according to law. In this respect the gentleman is again wrong with respect to his attitude regarding TVA. We all know that the distinguished gentleman from New York wrote to the Comptroller General and asked for an opinion as to whether or not the TVA Board had authority to expend corporate funds of TVA for additions to the system. The Comptroller General in his reply did not indicate that the TVA did not have the authority to use its corporate bonds.

We have also heard the gentleman from Iowa [Mr. JENSEN] just now state that he would be against TVA having authority to issue revenue bonds, that he would oppose the revenue bonds proposal. Apparently he is against any self-financing plan. When this controversy comes to be resolved the enemies of TVA oppose appropriations, they oppose the use of revenue bonds for financing and they now state that they are opposed to permitting the agency to use its surplus funds. Those who do not like TVA oppose its operations at every turn. They are going to cripple it and weaken TVA if at all possible.

As has been indicated earlier, there exists a need for additional power in this area. When General Vogel, the President's own appointee, became TVA Board Chairman, he took a new look at TVA's operations and made a new survey of the power requirements of the area. The Board thereafter made a unanimous recommendation for four new starts by TVA. This recommendation was made to the Bureau of the Budget for 1956, for the budget under which we are now operating. We know that the Budget Bureau did not approve the TVA Board request but they approved the now infamous Dixon-Yates contract as a substitute for the proposal



recommended by the Board. We all know what happened during the last session of Congress. The matter was fought out in the House and Senate and later the President canceled the Dixon-Yates deal; so the TVA Board recommendation was not approved and the Dixon-Yates plan was rejected. The area got no additional power under either plan. We are soon to consider the 1957 budget request. We are faced with no alternative but to take some affirmative action to relieve the area power shortage.

The President sent up a supplemental request to Congress earlier this year recommending that 1 start be made at the John Seiver plant and that 2 additional starts be made at the Johnsonville plant. However, the President coupled his request with a proposal that it be approved along with the Budget Bureau's self-financing plan. We know that this proposal bogged down in committee. It is so complicated, so involved. The Secretary of the Treasury under the plan would be made, in effect, a member of the Board of TVA. The Secretary of the Treasury would be empowered to pass on the number and kind of bonds that could be sold, the amount of the issue, the length of the bond redemption period and the rate of interest to be charged, among other powers and restrictive limitations. There are so many limitations and restrictions thrown around the proposal that no action has been taken on the legislation. And we have just heard the statement that there is no chance of Congress acquiescing in the issuance of revenue bonds authority for TVA. The agency has an estimated surplus of \$58 million. Why should not TVA be permitted to use some of its surplus funds to take care of its pressing needs? TVA is meeting required payments into the Treasury. In fact, TVA has paid some \$186 million into the Treasury to date. I am advised that TVA paid in excess of \$24 million into the Treasury prior to the enactment of legislation requiring annual repayments—and that with this sum plus required annual payments a total of \$286 million will have been repaid into the Treasury through 1957. These facts show that TVA is exceeding expectations of her most ardent advocates. It is TVA's success that generates enmity among partisans and private power interests.

Yes. TVA is a successful and efficient organization that deserves better treatment from Congress than it has been receiving in recent months. It is paying its way and more.

Mr. Speaker, we hear much talk about making TVA responsible to Congress. We know that the TVA reports to the Congress annually. TVA makes an annual report to the Congress and appears annually before the Appropriations Committee and other committees.

Responsibility, Mr. Speaker, is a two-way street. The Congress also has a responsibility to the people in a seven-State area that is solely dependent upon TVA as a source of power supply. As we listen to appeals to make TVA responsible we should remember the Congress must measure up to its responsibilities.

Mr. ABERNETHY. Mr. Speaker, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The gentleman has very properly pointed out that the opponents of TVA are against appropriating any money for it. They are against TVA's standing on its own feet through the issuance of revenue bonds. They are against its using its own resources. Will the gentleman tell the Members of the House how it is possible for the administration to keep its commitment to TVA, which was to do nothing which would impair its efficiency, without at least permitting it to use one or the other of these methods of financing?

Mr. EVINS. There are no other feasible alternatives. Various proposals have been advanced from time to time as the gentleman knows, but they have been rejected by the administration and TVA enemies.

Mr. ABERNETHY. They are willing, they say, for TVA to stand on its own feet but they are unwilling for it to have feet on which to stand.

The SPEAKER pro tempore [Mr. COOPER]. The time of the gentleman from Tennessee has expired.

Mr. CANNON. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. EVINS. I thank my distinguished chairman and would point out further that the TVA has the authority to employ its corporate funds for additions to existing plants. Section 26 of the TVA Act empowers the TVA to use such funds as are necessary and required in its normal business operations. Custom and usage as well as congressional intent and court decisions have confirmed this fact. The committee report proposes that TVA be operated in a businesslike manner through the use of its corporate funds. Certainly the House should stand by its position and vote down any proposal that might be made to recommit this conference report.

Mr. CANNON. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee [Mr. REECE].

Mr. REECE of Tennessee. Mr. Speaker, I do not think any of us are in disagreement as to the TVA assuming it has authority to spend revenues without any consideration for the views of the Congress. I think the gentleman from Tennessee [Mr. BAKER] has made that clear. The adoption of the conference report with the language that is contained in the legislation and in the report on the bill will have a tendency, in my opinion, to place a restriction on TVA since this does authorize or refer to the additional steam facilities at the John Sevier Steam Plant, indicating that the Congress is retaining its authority after TVA has been established regardless of what our attitude toward the establishment of it may have been, we must assume an objective attitude now. There is only one facility that can give power to that area and that is the Tennessee Valley Authority. We are completely dependent upon the Tennessee Valley Authority in that area for all of our power requirements. Our whole future depends upon the TVA.

That increases the responsibility that the Congress has to see that provision is made for an orderly development of the Tennessee Valley Authority in order to meet the requirements of the people of that area.

Mr. Speaker, we have the responsibility of providing the machinery by which Tennessee Valley Authority may do that.

My colleague from Tennessee [Mr. BAKER] has outlined what would appear to be a reasonable solution to this matter. I hope the Congress and its committees will give adequate attention to providing those facilities. In the meantime, it is necessary that we proceed as has been recommended by the Bureau of the Budget and the President to meet the immediate requirements and only the minimum requirements are being provided for in this conference report.

Mr. CANNON. Mr. Speaker, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTEN].

(Mr. WHITTEN asked and was given permission to revise and extend his remarks.)

Mr. WHITTEN. Mr. Speaker, as one of the conferees and speaking for those who signed the report, I would point out that all this debate would indicate that this situation is somewhat different from what it really is, as I see it. This is a supplemental appropriations conference report. A vote against this report would be a vote against an increase for agricultural research; it would be a vote against additional funds to finish the rest of the fiscal year on plant and disease control; it would be a vote against money for the Farmers Home Administration to carry on its housing program; it would be a vote to cut out administrative funds for the Commodity Credit Corporation to carry out its price support programs; it would be a vote to do away with subsidies vitally needed to carry on the merchant marine and the War Shipping Administration; it would be a vote against provision for the Federal Employees Life Insurance fund; acquisition of land in Chicago; and many, many other items. Now, those items are in here, and there is nothing in this conference report concerning the TVA. This conference report does not add to or detract from it; it does not cross a "t" and it does not dot an "i" in the authority in law which the TVA has.

The argument here is the age-old argument which was heard when the TVA was first created, and I think that argument should be answered, though I repeat again there is nothing in this conference report changing the law concerning the TVA.

The TVA is a Government corporation, and all the argument has had to do with changing the law and changing the TVA from a corporation, and making it an agency. If it were an agency, the situation would be different. This is not the only corporation which was given certain authority and responsibility by the Congress, in the legislation which created it. The Commodity Credit Corporation is another corporation created by the Congress, and the Congress, in the Commodity Credit Corporation Act, said to its board of directors, "You shall



discharge your responsibility in supporting a farm price support program." I review the record of the Commodity Credit Corporation each year, yet it is beyond my reach to change that law. I cannot do it. The Appropriations Committee does not have the authority. The TVA is also a corporation created by separate legislation of the Congress. Such law provides whatever authority the TVA has. They either have it or do not have it. But, the law speaks for itself. Changing the law governing the TVA is beyond the reach of the Appropriations Committee under the rules of the House.

The pertinent provisions of law which created the TVA and as amended are as follows:

Commencing July 1, 1936, the proceeds for each fiscal year derived by the Board from the sale of power or any other products manufactured by the Corporation, and from any other activities of the Corporation including the disposition of any real or personal property, shall be paid into the Treasury of the United States at the end of each calendar year, save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation \* \* \* in conducting its business in generating, transmitting and distributing electric energy (16 U. S. C. 831y).

Section 104 of the Government Corporation Control Act was rewritten in its present form in section 307 of the Government Corporations Appropriation Act, 1948:

Sec. 104. The budget programs transmitted by the President to the Congress shall be considered and legislation shall be enacted making necessary appropriations, as may be authorized by law, making available for expenditure for operating and administrative expenses such corporate funds or other financial resources or limiting the use thereof as the Congress may determine and providing for repayment of capital funds and the payment of dividends. The provisions of this section shall not be construed as preventing Government corporations from carrying out and financing their activities as authorized by existing law, nor as affecting the provisions of section 26 of the Tennessee Valley Authority Act, as amended (61 Stat. 584 (1947)).

In the Government Corporations Appropriation Act, 1948, under which points of order against legislation was waived, Congress did include permanent legislation requiring that TVA amortize the appropriation investment in its power facilities over a period of 40 years, and limiting its use of revenues in the following terms:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects (except for replacement purposes unless and until approved by act of Congress (61 Stat. 577)).

In thus prohibiting use of revenues for construction of new power-producing projects without prior congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities. Indeed, as House debate on the measure brought out, the House Appropriations Subcommittee which drafted the statutory language originally em-

ployed the term "facilities" and later substituted "projects," in order to make plain the distinction between dams and steam plants on the one hand, and individual generating units and transmission facilities on the other.

You will note it was provided that the TVA shall return to the Treasury such money as they may collect, save and except such part as may be essential to the proper operation of the TVA, which, according to the act of Congress, is the sole supplier of electricity over parts of 7 States. It is the only utility in that area. General Vogel, an appointee by President Eisenhower, testified that if you were to cut off all except preference customers of the TVA or if you were to make some cities supply their own power in the area where the TVA is the only utility, it would take 2½ years from the time they started construction to furnish such needed power, even if that was what the Congress decided they should do by legislation. Not only that, but President Eisenhower and the Budget Bureau have agreed that the TVA needs additional units at two existing projects at present, and further additional units will be needed in the immediate future. The TVA is running short of power to meet the needs of its customers in its own geographic area. These units do not involve any expansion in the TVA service area, but like every private company in the United States, the power needs are increasing, and about the time TVA has thought they have met it, the Congress will put some other war activities down there and demand that TVA supply that power, as we should.

All parties have agreed that unless new units are provided at existing projects there will be a power shortage in this area by late 1958. General Vogel, the President's appointee says there is no way to meet the needs in time to prevent a shortage except with new units at these particular projects.

Without additional units, the TVA system would have capacity deficiencies in 1957 and 1958. All other power systems are adding units, and building new plants, to establish and maintain margins of capacity.

Power use in the TVA area grows about 750,000 kilowatts per year, exclusive of increases in the defense loads. To meet this growth requires generation and transmission additions costing about \$150 million a year. TVA's net income before depreciation was \$78 million last year, and out of this TVA is paying \$59 million into the Treasury this year. Clearly TVA will not be building all the capacity it needs—let alone any it does not need—from its revenues.

May I say these appropriations we have been making to TVA for power in the last 10 or 12 years have come about because we have put these military facilities in that area, at a cost of hundreds and hundreds of millions of dollars. Such military establishments would not be useful if we did not have the power. In fact such military needs use more than 50 percent of all power produced by TVA.

The law provides that the corporation should report to the Congress its activities and report on its various activities. But the Congress, not wanting to change this from a corporation to an agency, in the Corporation Control Act provided that such act should not be construed so as to modify section 26 of the TVA Act, which makes provision for the Directors of the TVA to meet the responsibility of serving the TVA service area. Such Board of Directors has a direct obligation to use their authority under the law to meet the needs of the people in the area that it serves.

It was in 1948 that we provided the language which has been discussed here, and which I have quoted. Let us read it again:

None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power-producing projects except for replacement purposes until and unless approved by act of Congress.

I, too, have felt that the TVA, in view of these attacks that are constantly being made on it, should return money to the Government. In 1948 I was a member of the subcommittee which wrote this provision and actually drafted the final language under which the TVA does return to the Government over a 40-year period the money that we put into it for power production. In other words, TVA is required to return money to the Treasury in such amounts as will average not less than 2½ percent each year.

Actually TVA is considerably ahead of schedule in such payments and I remind you it still belongs to the Government. Certainly, in my book that is interest on our investment. I repeat, each year an average of not less than 2½ percent of the money that we have put in it for power generation is returned to the Government.

Involved in the immediate situation is this fact. TVA is still making its payments. They were ahead in making their payments, but President Eisenhower and his Bureau of the Budget said that additional units in the existing projects are particularly needed. Some they recommended and they, as well as the Board of Directors, have recognized a growing need for power here as in all sections of the United States. But there are two ways that we can meet such needs. We can say that TVA, in addition to returning to the Government this money, which it has to return, an average 2½ percent each year which is a fair return, after such payments can take their funds from power revenues and meet these needs that all recognize—or the Congress can appropriate the money for such units in which case TVA would have 40 years in which to pay such money back.

It was the opinion of the majority of the House committee that it was much more sound for the TVA to use its power revenues, which is in addition to their repayments, instead of our appropriating money which would be paid back only in 40 years. That was the directive of the House committee report when the bill went through the House to start with. The bill went to the Senate and the



Senate appropriated \$3½ million for the unit at John Sevier. In conference the Senate receded.

If this conference report is voted down, it will mean and would be taken to mean that in view of the recommendation of the President of the United States and his Bureau of the Budget, you are asking that additional appropriations be made instead of telling the TVA Board of Directors that in addition to making their repayment—since they have got to have these units—they must stretch their power revenues to meet their needs for new units from those revenues, as provided in committee report of the House.

I think it is wholly unsound to vote against the many items there are in the bill. The TVA Act, whatever its meaning is, speaks for itself. I have my interpretation of it and I think I am sound, because I know the intent in drafting the act; that is, while they could not use the revenues to put in new projects, if it is a replacement they can do as I have indicated; but a power facility, a new unit at an existing project, represents a different thing, and the TVA retains its authority to do that. Whether I am right or my colleagues on my left are right, your vote on this conference report will not change the law one iota. The law has been written. It is on the statute books. It is there for interpretation. It will be there whichever way we vote. And it was there whatever we did in conference.

The attacks that are made each year on the TVA are not directed to this conference report, but they are directed to changing the basic law concerning TVA. I realize that is a controversial subject.

Another point made as to what the TVA should do comes from a mistaken idea that the TVA is an agency of the Government. It is a Government-owned corporation created by separate legislation, as is the Commodity Credit Corporation. It is just as much beyond my reach to change that Corporation when it comes before my Subcommittee on Agriculture as it is for this group to change the basic act here. If the Commodity Credit Corporation law is to be changed, it must come from the Committee on Banking and Currency.

May I say again, if you vote for this conference report, you have not changed the law concerning the TVA. If you vote against the conference report, you will be voting against the settlement of the passage of a badly needed bill, to provide funds for the various activities of Government which I have mentioned. The situation is getting tight, and it is time we move on and appropriate the funds for these agencies. There is no money in the report for the TVA.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Indiana.

Mr. HALLECK. May I say to the gentleman I am in agreement with him as to his analysis of the effect of this vote. While I protest the language that was contained in the majority report accompanying the bill originally and think it was completely in error, I do not think a vote against this conference re-

port would prove anything one way or the other. So as far as I am concerned, I shall support the conference report.

Mr. WHITTEN. I thank the gentleman.

Mr. Speaker, in times past the TVA has always reported to the Congress the use of its own money for its needs in discharging its responsibility to the region where it is the sole supplier of power. In 12 instances the TVA has reported to Congress that it was using revenues to meet its needs within its own geographic area. On 12 occasions the TVA has used its power revenues to meet existing problems such as adding new units and other works, and reported it to the Congress. There is nothing new in what exists here. It is a problem that has had the recognition of the President and the Budget Bureau, and the unit at John Sevier is recommended by all concerned. Is it sound to let the TVA use their own revenue as against our appropriating additional money? Whether or not you differ with that view, the Senate has receded from its position of wishing money on the TVA, and in receding they have left us where if we do not adopt this conference report we are voting down all these many items for other departments and agencies. There is not a line in this report concerning the Tennessee Valley Authority except that the Senate receded on its appropriation. The conference report should be adopted.

Mr. CANNON. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I avail myself of this time in order to inquire of the majority leader as to the forthcoming program for the remainder of the week.

Mr. McCORMACK. After the disposal of the present conference report the District of Columbia transit bill will be the next bill in order.

On tomorrow the President of Indonesia will be our guest at a joint meeting of both bodies of Congress.

Following that there will be in order the consideration of the bill (H. R. 9052) to extend the Export Control Act of 1949. The rule on that bill provides for 1 hour of general debate.

Mr. HALLECK. May I inquire of the gentleman if there is not a very definite possibility that final action on the transit matter may go over until tomorrow?

Mr. McCORMACK. If it is not disposed of today it will go over until tomorrow. Just as a guess, I would say it is a strong probability that the bill will be disposed of today.

Mr. HALLECK. I ask the question only because I thought a misapprehension might have been created. There will be an hour of debate under the rule and 2 hours of general debate. The committee report of the bill was a complete amendment to the original bill, so I had rather assumed that possibly action would not be completed on it today.

Mr. McCORMACK. All I can say is that if the bill is not disposed of today it will continue under consideration tomorrow. Of course, taking up the extension of the Export Control Act will be dependent on the time the transit bill

is disposed of tomorrow, if it does go over until tomorrow. There is no agreement or understanding about its being concluded today.

Mr. HALLECK. I thank the gentleman.

#### CALL OF THE HOUSE

Mr. MURRAY of Tennessee. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. COOPER). The Chair will count. [After counting.] A quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 48]

Alger	Gamble	Powell
Andersen,	Gary	Prouty
H. Carl	Granahan	Radwan
Anfuso	Green, Oreg.	Rivers
Barden	Gregory	Rogers, Mass.
Bolton,	Harrison, Nebr.	Rogers, Tex.
Oliver P.	Hébert	Sheppard
Bonner	Hillings	Short
Brooks, La.	Hoffman, Ill.	Smith, Va.
Burdick	Holfield	Steed
Carlyle	Holtzman	Thompson, La.
Chatham	Jennings	Tollefson
Clark	Johnson, Calif.	Utt
Cooley	Kearns	Velde
Davidson	Knutson	Walter
Davis, Tenn.	Lane	Watts
Deane	Lankford	Westland
Denton	Long	Wickersham
Dolliver, Iowa	Miller, Calif.	Willis
Donovan	Mollohan	Wilson, Ind.
Durham	Morrison	Winstead
Eberhart	Moulder	Wolcott
Ellsworth	O'Hara, Minn.	Younger
Fascell	Pillion	

The SPEAKER pro tempore (Mr. COOPER). On this rollcall 359 Members have answered to their names; a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### SECOND SUPPLEMENTAL APPROPRIATION BILL, 1956

Mr. CANNON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

Mr. CANNON. Mr. Speaker, there are a number of amendments in disagreement, merely technical in nature.

Mr. Speaker, I ask unanimous consent that amendments Nos. 11, 12, 16, 17, 21, 22, 23, 26, 28, 30, 34, 36, 39, 40, 44, 45, and 61 be considered en bloc.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

Mr. GROSS. Mr. Speaker, reserving the right to object, in the amendments which the gentleman just enumerated did he include amendment No. 24?

Mr. CANNON. No.

Mr. GROSS. I thank the gentleman. The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the amendments.



The Clerk read as follows:

Senate amendment No. 11: Page 4, line 20, insert:

**"WAR SHIPPING ADMINISTRATION LIQUIDATION"**

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the amount available from prior appropriations for the liquidation of certain obligations approved by the General Accounting Office and for the payment of obligations incurred against the working fund titled 'Working fund, Commerce, War Shipping Administration functions, December 31, 1946', is increased from '\$5,900,000' to '\$24,000,000.' Provided that the amount of such increase shall be available only for Court of Claims and district court judgments and payments to disabled seamen authorized by Fifty-eighth Statutes at Large, page 758."

Senate amendment No. 12: Page 6, line 4, insert:

**"Independent Agencies"**

**"Small Business Administration"**

**"Revolving Fund"**

"For additional capital for the revolving fund authorized by the Small Business Act of 1958, as amended, to be available without fiscal year limitation, \$20 million."

Senate amendment No. 16: Page 11, line 1, insert:

"Acquisition of Land and Building, Chicago, Ill.

"For the acquisition of the parcel of land located at 536 South Clark Street, Chicago, Ill., together with all improvements thereon and appertaining thereto, including incidental expenses, to remain available until expended, \$3 million, to be derived by transfer from the appropriation 'Sites and planning, purchase contract, and public buildings projects.'"

Senate amendment No. 17: Page 11, line 17, insert:

**"Expenses, general supply fund"**

"For an additional amount for 'Expenses, general supply fund', \$450,000, to be derived by transfer from the appropriation for 'Sites and planning, purchase contract, and public buildings projects.'"

Senate amendment No. 21: Page 17, line 20, insert:

**"Construction"**

"For an additional amount for 'Construction' \$2 million, to remain available until expended."

Senate amendment No. 22: Page 18, line 4, insert: "Provided, That the Secretary of the Army is authorized and directed to transfer to the Secretary of the Interior, without exchange of funds, 46 school buses presently on loan to the Bureau of Indian Affairs."

Senate amendment No. 23: Page 18, line 9, insert:

**"Construction"**

"For an additional amount for 'Construction', \$240,000, to remain available until expended: *Provided*, That the funds herein used for restoration of Indian irrigation facilities shall be nonreimbursable; *Provided further*, That not to exceed \$54,000 used for emergency reconstruction, replacement or repair of the San Carlos Irrigation facilities damaged or destroyed by flood and storm in 1955 shall be nonreimbursable."

Senate amendment No. 26: Page 20, line 21, insert:

**"DEPARTMENT OF LABOR"**

**"Bureau of Employment Security"**

**"Mexican Farm Labor Program"**

"For an additional amount for 'Salaries and expenses, Mexican farm labor program', \$65,000, to be derived by transfer from the appropriation 'Unemployment compensation for veterans.'"

Senate amendment No. 28: Page 22, line 13, insert:

**"Increased Pay Costs, Career Incentive Act of 1955"**

"For additional amounts for appropriations for the fiscal year 1956, for increased pay costs authorized by the act of March 31, 1955 (Public Law 20), as follows:

"'Assistance to States, general', \$55,000;

"'Communicable diseases', \$55,000;

"'Sanitary engineering activities', \$70,000;

"'Foreign quarantine service', \$20,000;

"'Retired pay of commissioned officers', \$130,000;

"The Surgeon General is authorized to transfer between appropriations to the Public Health Service such amounts as may be necessary to meet increased costs authorized by Public Law 20, Eighty-fourth Congress, but no appropriation shall be increased by more than \$10,000 as a result of such transfers."

Senate amendment No. 30: Page 23, line 14, insert:

**"NATIONAL MEDIATION BOARD"**

"For an additional amount for 'Salaries and expenses', \$25,000, to be derived by transfer from the appropriation 'Arbitration and emergency boards', fiscal year 1956."

Senate amendment No. 34: Page 26, line 6, insert: "; and the limitation under this head in the Department of Justice Appropriation Act, 1956, on the amount available for compensation and expenses of witnesses or informants, is increased from '\$175,000' to '\$200,000.'"

Senate amendment No. 36: Page 28, line 1, insert:

**"POST OFFICE DEPARTMENT"**

**"Operations"**

"For an additional amount for 'Operations', \$16,000,000: *Provided*, That the Postmaster General, with the approval of the Director of the Bureau of the Budget, may transfer such sums (not to exceed \$2,000,000) as he deems necessary from any appropriation available to the Post Office Department for the remainder of the fiscal year ending June 30, 1956, to any other such appropriation or appropriations without regard to the limitations imposed by the first proviso contained in the paragraph under the heading 'Operations' in title II of the Treasury-Post Office Appropriation Act, 1956."

Senate amendment No. 39: Page 31, line 4, insert:

"For payment to Lois Lilly Kilgore, widow of Harley M. Kilgore, late a Senator from the State of West Virginia, \$22,500."

Senate amendment No. 40: Page 31, line 7, insert:

**"Salaries, offices, and employees"**

"Office of the Secretary: For an additional amount for the Office of the Secretary, \$2,535: *Provided*, That the basic compensation of the assistant to the majority and the assistant to the minority may be fixed by the majority and minority leaders, respectively, at a rate not to exceed \$8,820 per annum; and that effective April 1, 1956, the basic amount available for clerical assistance and readjustment of salaries in the disbursing office is increased by \$3,000."

Senate amendment No. 44: Page 32, line 1, insert:

"Stationery: For an additional amount for stationery, \$2,900, and the amount available for stationery for committees and officers of the Senate is hereby increased to \$12,900."

Senate amendment No. 45: Page 32, line 5, insert:

**"Administrative provisions"**

"The third proviso in the paragraph relating to the authority of Senators and committee chairmen to rearrange the basic salaries of employees in their respective offices or committees, which appears in the Legislative Branch Appropriation Act, 1947, as

amended (2 U. S. C. 60f), is amended to read as follows: 'Provided further, That Senators and committee chairmen, on or before the day on which they are to become effective, shall certify in writing such changes or rearrangements to the disbursing office of the Senate which thereafter shall pay such employees in accordance with such certifications, except that, in the case of any change or rearrangement, other than original appointments, to become effective on or after the 1st day and prior to the 10th day of any month, such certification may be made at any time not later than the 10th day of such month.'"

Senate amendment No. 61: Page 39, line 21, insert:

"National Mediation Board: National Railroad Adjustment Board: 'Salaries and expenses' (decrease of \$18,000 in the limitation upon the amount available for compensation and expenses of referees)."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendments.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 4, strike out lines 11 to 16, inclusive.

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 9, and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert:

**"Ship Construction"**

"The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the number of cargo ships for replacement, for which payment may be made for construction-differential subsidy and national-defense features, is increased from 5 to 10; and the authority contained in that act for the vessel operations revolving fund is amended to include the following: 'for activation, repair, and deactivation of merchant ships chartered under the jurisdiction of the Secretary of Commerce;'"

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 24: Page 19, line 3, strike out "For an additional amount for 'Construction', \$3,000,000", and insert in lieu thereof "For an additional amount for 'Construction', \$360,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

"For an additional amount for 'Construction', \$3,000,000, to remain available until expended."

Mr. CANNON. Mr. Speaker, on this amendment, I yield 5 minutes to the gentleman from Missouri [Mr. CURTIS].



Mr. CURTIS of Missouri. Mr. Speaker, I want to thank the gentleman from Missouri [Mr. CANNON] for yielding me time. I am sorry that it is necessary to take the time of the House to go into an explanation of this matter somewhat in detail.

This is a matter essentially that involves locally the city of St. Louis, although it is of national concern, because it involves a national memorial park located in downtown St. Louis.

In order that the House may understand this matter, I have to go back a little bit in history. The matter was fully explained to the committees of the House that authorized it and also to the Committee on Appropriations. But because the rest of the House is not aware of the details, I do want to recount them. When I was still at law school, this measure was developed and large portions of a downtown section of St. Louis were razed in order to start this proposed Jefferson Memorial expansion park. Whether or not that was a wise decision, I am not here to argue or even to discuss. The fact remains that for over 20 years now we have had there in downtown St. Louis this bare area where buildings had been razed and nothing further has been done.

In compliance with the original idea, the city of St. Louis voted a bond issue of several million dollars to contribute its share to this program. That money is available. It was necessary to take the railroad tracks which run on a trestle in front of that area in order to make it a proper park, and put them underground. Therein lies the trouble, because it is necessary for the private railroads to put up some money themselves in order to go ahead with this program. That is where the underlying opposition has occurred to a large degree over a period of many years. Strangely enough, however, this program had never even been authorized. When I came to Congress one of the first things I tried to do was to get the program authorized, because there was no way of turning back and returning this property to private individuals or the city of St. Louis.

At the same time we have this concern over the cost to our Federal Government and the fact that we have an unbalanced budget. So I told the people of the city of St. Louis who were interested that I would introduce an authorization bill providing it was clearly understood that we would not be in asking any appropriation on that until such time as a balanced budget was presented to the Congress.

I submit, how many times in the history of this Congress has a community through its representative been that fair on a matter of this nature? That was the basis on which this program was authorized, so that the city of St. Louis could go ahead with their municipal planning, because if you do not know what is going to happen in the downtown section you cannot very well make any long-range plans for the rest of the programs you have in mind.

Now for the first time we did have that very happy thing occur in January. The

President presented a balanced budget. Whether or not it will be balanced by the time the Congress is done is not the point. We have complied with the spirit and the technicalities of that provision which I myself asked to have put in. It seems to me a very strange thing when these people who allege that they are so interested in preserving our solvency come in and try to hit us over the head because we have voluntarily limited ourselves by such a restriction.

That is the issue. There still is an undercurrent fight that, in my judgment, probably comes from the railroads, in the belief that they are going to have to contribute a certain amount of money if we can get this appropriation through.

One final statement: There actually cannot be any money spent for at least a year, but we do need the appropriation so that we can start negotiations with the railroads and with the city of St. Louis towards getting the actual plans laid so that the tunnel can be built and the parkway can go ahead and the city of St. Louis can solve this problem of having this vacant area right in the heart of downtown St. Louis for the past 20 years.

I certainly hope the House will see the merits of this amendment and back us up on it.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. I thank the gentleman from Missouri [Mr. CANNON] for giving me this time.

Mr. Speaker, this is a question of whether Congress is now embarking upon a program of providing funds for the civic improvement of St. Louis or any other city in the country.

Mr. CURTIS of Missouri. Mr. Speaker, will the gentleman yield for a correction?

Mr. GROSS. I yield.

Mr. CURTIS of Missouri. This is not the city of St. Louis. If you gentlemen will read the committee hearings on this, this is a national park to commemorate Thomas Jefferson and the westward expansion movement. The full details of all this were in the committee hearings.

Mr. GROSS. The gentleman will admit, of course, that this expenditure is to be made within the confines of the city of St. Louis?

Mr. CURTIS of Missouri. Yes, they have it right in the middle of us.

Mr. GROSS. Yes, of course it is, so it amounts to a civic improvement. I hope to explain that just a little further, if the gentleman will permit me.

When this program was before the House in the appropriation bill, I raised the point of order against the legislative provision making the \$3 million until expended. The chairman of the Committee of the Whole held it to be legislation on an appropriation bill. Now, we have it back with the same language, but it cannot be reached on a point of order because it is contained in a conference report. On March 20, when

this same handout was before the House, I said this:

I am opposed to this expenditure. Here is what the taxpayers of the country will contribute to this project in St. Louis: \$1,875,000 for the relocation of railroad tracks and other railroad facilities; \$1,125,000 for grading and filling along the Mississippi River waterfront; \$500,000 for landscaping; \$900,000 for paving, utilities, and so forth, and \$600,000 for restoration of what is known as Old Courthouse. That is a total of \$5 million so we can look forward to further heavy expenditures of taxpayer money in behalf of the civic improvement of St. Louis.

Members of the House may well ask themselves how many millions of dollars the Federal Government is spending toward the relocation of railroad tracks and otherwise financing civic improvements in the cities and towns of their districts.

This appropriation of \$3 million is only a start in a multimillion dollar program solely for the benefit of St. Louis. If this is approved, then the thing for all the cities and towns and you in your districts is to establish a monument, memorial or something of that kind, and then come to the Federal Government to get railroad tracks relocated, get your landscaping done; improve your waterfronts, riverfronts, lakefronts and so forth.

Mr. Speaker, I have no desire to take further time of the House. The issue is clear. A vote for the motion is a vote to use millions of dollars of all the taxpayers' money to do for the citizens of the city of St. Louis what they ought to do for themselves. I am opposed to this motion and to this initial expenditure from the Federal Treasury for the benefit of this one city.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentlewoman from Missouri [Mrs. SULLIVAN].

JEFFERSON NATIONAL EXPANSION MEMORIAL A NATIONAL PROJECT COMMEMORATING LOUISIANA PURCHASE

Mrs. SULLIVAN. Mr. Speaker, this project has been under way in St. Louis for more than 22 years. It is not a St. Louis project as such; it is a national project. It commemorates the Louisiana Purchase and the opening of the West. It was just 152 years ago this week that Lewis and Clark set off from this very spot for their historic journey to the Pacific.

But all that has been explained many times. This item was virtually eliminated from the bill once before on a technicality, on a point of order. There is no widespread opposition to this appropriation, I am sure. But now that it has been challenged again, at least the House will have the opportunity to vote on it, and I am certain it will be approved on its merits.

The Federal Government and the city of St. Louis have jointly worked together on this project, as I said, for many years. President Franklin D. Roosevelt helped us to get the work underway. It is National Park Service property; turned over to it by the city, at very substantial cost. World War II and the Korean war halted the work.

It was in order to end any controversy over whether Federal funds could properly be spent on this project that a bill which I introduced was enacted by the



83d Congress. It provided for expenditure of \$5 million for the Federal share of the cost of this project, on a ratio of \$3 of Federal funds for \$1 of St. Louis funds. The issue was fully discussed in all of its aspects at that time. At the suggestion of my colleague from St. Louis [Mr. CURTIS] the bill was amended to provide that none of this \$5 million of Federal funds could be spent until the Federal budget was declared in balance.

This year that condition was met. It was met on January 16 when the President announced in his budget message that we would end up the 1956 fiscal year next month with a balanced budget and that the budget he proposed for the 1957 fiscal year was in balance.

Now if it will just be remembered that the House Interior Committee and the Senate Interior Committee both approved this project in the 83d Congress, and that the House and Senate also approved it, and that the Budget Bureau approved it, and that the President signed it, it will be clear that there is nothing surprising about this appropriation. It is bipartisan and almost complete noncontroversial. The enabling law was enacted in 1954. The Budget Bureau informed us early this year that the requirements of the law insofar as a balanced budget were concerned had been met.

Thus, we have met every requirement necessary to get the appropriation. When the President announced a balanced budget and the Budget Bureau confirmed that the requirement had been met, we went to the National Park Service and to the top officials of the Department of the Interior to enlist their support on this. They proposed \$3 million for inclusion in this bill. The Budget Bureau approved that and recommended it to the Congress. Our Appropriations Committee joined in the recommendation. Then it was attacked on a technicality, a point of order based on the language "to be available until expended."

Now, after full review and thorough consideration, the House and Senate conferees have agreed on this amount of \$2,640,000, which will be used primarily to relocate the railroad tracks so that this great memorial can begin to take shape.

There was never any thought by the President or the Department of the Interior that the recommendation for funds was just a meaningless formality, I am sure. The only reason this money was included in a supplemental appropriation instead of the regular 1957 appropriation, as I understand it, was so that the planning work for relocation of the tracks, and the preparation of specifications for bids, could proceed during the early months of this spring, rather than be held up until July 1. But if the money had to be spent in the 1956 fiscal year, which ends in just a little more than a month, why of course it would not be of much use to us. We could not get the work underway in time for that. That is why we must have the appropriation available until expended, rather than have the money earmarked for use in the current fiscal year only.

As the Members know, the President's request for these funds did not arrive at the Capitol until we had already passed the Interior appropriation bill for the 1957 fiscal year.

I repeat, Mr. Speaker, that all of the necessary legislative requirements have been met according to the rules of procedure for the House of Representatives. I therefore ask, Mr. Speaker, that this amendment be voted upon and that we, finally and after all of the many delays and interruptions and roadblocks, get the work underway on the Jefferson National Expansion Memorial.

Mr. KARSTEN. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield.

Mr. KARSTEN. Mr. Speaker, I join with my colleague in urging that these funds be made available for the construction of the Jefferson National Memorial project. I might say for the enlightenment of the gentleman from Iowa that this is not within the city of St. Louis, but is on Federal land and this is not a contribution to the city of St. Louis, but rather a contribution to the national park in which all citizens of America have a deep and vital interest. I would also like to point out that 2 years ago when this authorization passed the Congress an agreement, an implied agreement if you wish to so describe it, was made with the city of St. Louis and the people of Missouri, that when the conditions enumerated in the appropriation bill had been met, the funds would be provided and made available for the construction of this memorial.

The gentleman from Iowa [Mr. Gross] asks the Congress to "welch" on that implied agreement that the Congress had with the people of St. Louis. It is my hope that the views of the gentleman from Iowa will not prevail, because it will certainly destroy a wonderful memorial, not only for the State of Missouri and the city of St. Louis but the country as a whole. I hope that the funds will be provided so that this great work can go ahead.

Mrs. SULLIVAN. I thank the gentleman.

There is one other thing that I want to stress, and that is that this has been a bipartisan project all the way through. The gentleman from Missouri [Mr. CURTIS] mentioned that when he first came here one of the first things he did was to try to get this authorization. Similar bills were introduced by the gentleman from Missouri [Mr. KARSTEN], the gentleman from Illinois [Mr. PRICE], and Senators HENNING and SYMINGTON.

Mr. PRICE. Mr. Speaker, will the gentlewoman yield?

Mrs. SULLIVAN. I yield.

Mr. PRICE. I concur in most of his statements made by the gentlewoman from Missouri and the gentlemen from Missouri, Mr. KARSTEN and Mr. CURTIS. This is not a local memorial. This is a national memorial. It is to symbolize the opening of the great West. It is a memorial that every American, regardless of what State he comes from, should support wholeheartedly. The appropriation has been sought for many years, and it should be made now. Cer-

tainly we have arrived at the time when the pledge that was made to the people who supported this movement from the start should be given by the Congress of the United States.

Mrs. SULLIVAN. I thank the gentleman.

In conclusion I ask you to consider that this plan has been in formation for years. There is nothing new about it. It has been discussed time and again, and approved by all of the appropriate agencies, officials and committees. I hope you will, by your approval today, let us get started on this project now.

The SPEAKER pro tempore. The time of the gentlewoman from Missouri [Mrs. SULLIVAN] has expired.

Mr. CANNON. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Missouri [Mr. CANNON].

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 134, noes 10.

So the motion was agreed to.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. TABER. Mr. Speaker, I ask unanimous consent that I may insert as a part of my remarks the minority views in the report that was submitted to the House on the bill just agreed to.

The SPEAKER pro tempore. Is there objection?

There was no objection.

#### CORRECTION OF RECORD

Mr. BOYLE. Mr. Speaker, I ask unanimous consent to make a correction in the CONGRESSIONAL RECORD of May 3, 1956, in my comments on Polish Constitution Day, 1956: A Tribute to the Polish People.

On page 6696 in the first paragraph of my comments at present it reads: "but against the background of medical obscurantism." On that date I said and the statement should be corrected to read: "but against the background of medieval obscurantism."

The SPEAKER pro tempore. Is there objection?

There was no objection.

(Mr. HINSHAW asked and was given permission to revise and extend his remarks on House Resolution 409 and H. R. 8901 and include tables.)

#### MASS TRANSPORTATION IN THE DISTRICT OF COLUMBIA

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call



up House Resolution 489 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 8901) to provide for an adequate and economically sound transportation system or systems to serve the District of Columbia and its environs; to create and establish a public body corporate with powers to carry out the provisions of this act; and for other purposes, and all points of order against such bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. It shall be in order to consider without intervention of any point of order the substitute amendment recommended by the Committee on Interstate and Foreign Commerce now in the bill, and such substitute for the purpose of amendment shall be considered under the 5-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or Committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit, with or without instructions.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the distinguished member of the Rules Committee, the gentleman from Illinois [Mr. ALLEN], and pending that I yield myself such time as I may consume.

The SPEAKER. The gentleman from Mississippi is recognized.

Mr. COLMER. Mr. Speaker, House Resolution 489 makes in order the consideration of H. R. 8901, a bill to provide a transportation system for the District of Columbia.

The resolution provides for an open rule, waiving points of order against the bill, 2 hours of general debate, and makes in order the consideration of the committee substitute amendment as the original bill for purposes of amendment.

H. R. 8901 created a public authority system for the District of Columbia. After the Subcommittee on Transportation of the Interstate and Foreign Commerce Committee has held extensive hearings—examining both the possibilities of a public authority and the proposals of private groups to succeed the present company—it was decided, in view of the emergency problem, adequate transit service could only be assured by the continued operation by the Capital Transit Co. Therefore, the committee adopted an amendment in the nature of a substitute bill providing that after August 14, 1956, the Capital Transit Co. would operate under its present charter and franchise with certain modifications. The company's franchise and the regulatory laws would be modified in the following ways:

First, the Public Utilities Commission would determine the rates of fare to be charged by the company on the basis of a system rate base figured on the net investment of the company as of July 31, 1955, with certain additions and subtractions which are outlined in the bill. The rates of fare now in effect, however, would continue unchanged until at least August 15, 1957.

Second, the company would be afforded the opportunity to earn 6½ percent on the system rate base, but there is no guaranty to the company that it would receive such a rate of return.

Third, the company is granted certain tax relief and partially relieved of existing snow removal obligations.

Fourth, the company would no longer be required to secure approval of the Public Utilities Commission to issue evidences of indebtedness payable within a year or less.

Fifth, the Public Utilities Commission is granted authority to fix charges and establish rules and regulations governing the issuance of transfers by the company.

The committee substitute further provides that the company is to initiate a plan for the gradual conversion of streetcar operations to all-bus operations.

In short, the terms under which the Capital Transit Co. would operate are substantially the same as the District Commissioners were prepared to offer to other private applicants.

The committee report complies with the Ramseyer rule and I urge the adoption of House Resolution 489 so the House may proceed to the consideration of the bill, H. R. 8901.

Mr. ALLEN of Illinois. Mr. Speaker I yield 5 minutes to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I rise in support of the rule and also in support of the bill or rather what is really a committee amendment from the Committee on Interstate and Foreign Commerce.

It was my privilege to serve on the great Committee on Interstate and Foreign Commerce for many years, so possibly for that reason as well as for many others I have followed this whole controversy with a great deal of interest.

As I understand, this proposal came from the committee with almost unanimous support, not quite, but almost unanimous, so certainly for that reason it should have very careful consideration, and may I say, favorable consideration. The basic issue before us here today is whether we want to create a new public transit authority here in the District of Columbia or allow the system to remain under private ownership.

When the franchise of the Capital Transit Co. was revoked last year by the Congress it was with the thought, I believe, that new private operators would be found to take over. May I say that so far as I can discern at that time the Congress had no thought of creating a public authority. I think it is worth while to keep that situation in mind, because some gentlemen who advocate the so-called public authority later undertook to make it appear that having

marched up the hill we are now marching back down the hill. I do not agree with that at all. As far as I am concerned, if I know the basic issue involved we are maintaining a constant position.

What has happened in the meantime? As I understand it, six applicants have come forward with offers to take over the system. One applicant that I happen to know something about in particular gained the support of the Washington Board of Trade and I also understand there was committed financial support in a very considerable amount by a number of retail stores in the District of Columbia. But, for one reason or another, all of these applications were rejected. It may be that some people really want a public transportation system here in the District of Columbia. But I just do not happen to be one of that group.

This is not to say that I am opposed to the idea of a public transportation system for any city whose residents want it, are willing to support it and are willing to pay for its operation. But the situation here in Washington is peculiar. This community is unique in that the Federal Government carries a large responsibility for the operation and maintenance of municipal facilities and for the development of policies and programs.

This obligation, which rests ultimately with the Congress, includes the annual appropriation of money from the Federal Treasury to help carry on the routine pursuits of the Capital City. The other body has proposed establishment of a so-called interim public authority for a period of 3 years, the idea being that an attempt will be made during that period to find private individuals or a group that will take over the franchise.

As we say in the vernacular, let us not kid ourselves about that. If we set up a public authority now we are going to be stuck with it from now on. You all know as well as I do that if we set up this so-called interim public authority for 3 years, the idea of a public transit system will be so firmly imbedded in the District operation it will never be dislodged.

We have had lots of experience around here with temporary expedients. Nothing is more permanent than a temporary arrangement in Washington.

What are some of the things we can expect if we establish a public transit authority? First of all, it has been pointed out that we will lose \$2 million annually in a tax subsidy. It is also well known that should an authority be established, an initial sum of \$20 million will be needed to get the operation under way, and I hazard the guess that it will be more than that. I have heard this \$20 million described as a loan. Let me say that it will come from the Federal Treasury and here again we have had some bitter experiences in my time down here with this business of lending taxpayers' money to public authorities and agencies created by the Congress.

Beyond the matter of money is the question of supervision. The Congress has already spent no one knows how







Public Law 533 - 84th Congress

Chapter 313 - 2d Session

H. R. 10004

AN ACT

Making supplemental appropriations for the fiscal year ending June 30, 1956,  
and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations (this Act may be cited as the "Second Supplemental Appropriation Act, 1956") for the fiscal year ending June 30, 1956, and for other purposes, namely: .

Second Supplemental Appropriation Act, 1956.

CHAPTER I

DEPARTMENT OF AGRICULTURE

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:

"Research", \$1,717,530;

"Plant and animal disease and pest control", \$2,000,000, of which \$650,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e), and the Act of August 13, 1954 (7 U. S. C. 148), to the extent necessary to meet emergency conditions; and

31 USC 665.

52 Stat. 344.

68 Stat. 717.

"Meat inspection", \$1,048,690.

AGRICULTURAL CONSERVATION PROGRAM SERVICE

The unobligated balance of the amount made available under this head in the Supplemental Appropriation Act, 1956, shall, subject to the same conditions, remain available until December 31, 1956, for the same purposes, for emergency measures to restore farm lands damaged by hurricanes and excessive floods, and for reimbursement to the appropriation to the President for "Disaster relief", for allocations to the Secretary of Agriculture for such purposes.

69 Stat. 451.

FARMERS' HOME ADMINISTRATION

LOAN AUTHORIZATIONS

For loans under title V of the Housing Act of 1949, as amended, \$5,000,000, to remain available until expended: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in the manner authorized under this head in the Department of Agriculture Appropriation Act, 1952.

63 Stat. 432.

42 USC 1471-

1483.

65 Stat. 240.

70 Stat. 161.

70 Stat. 162.

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$1,500,000.

COMMODITY CREDIT CORPORATION

The limitation under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, on the amount available for administrative expenses of the Corporation, is increased from "\$26,000,000" to "\$30,750,000."

69 Stat. 60.



## CHAPTER II

### DEPARTMENT OF COMMERCE

#### BUREAU OF THE CENSUS

##### SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$515,500, of which \$87,500 shall be derived by transfer from the appropriation granted in the Department of Commerce and Related Agencies Appropriation Act, 1956, for "Census of agriculture".

69 Stat. 226.

#### MARITIME ACTIVITIES

##### SHIP CONSTRUCTION

The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the number of cargo ships for replacement, for which payment may be made for construction-differential subsidy and national-defense features, is increased from five to ten; and the authority contained in that Act for the Vessel Operations Revolving Fund is amended to include the following: "for activation, repair and deactivation of merchant ships chartered under the jurisdiction of the Secretary of Commerce;"

69 Stat. 229.

##### OPERATING-DIFFERENTIAL SUBSIDIES

For an additional amount for "Operating-differential subsidies", \$30,000,000, to remain available until expended.

#### WAR SHIPPING ADMINISTRATION LIQUIDATION

The limitation under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, on the amount available from prior appropriations for the liquidation of certain obligations approved by the General Accounting Office and for the payment of obligations incurred against the working fund titled "Working fund, Commerce, War Shipping Administration functions, December 31, 1946", is increased from "\$5,900,000" to "\$24,000,000": *Provided*, That the amount of such increase shall be available only for Court of Claims and district court judgments and payments to disabled seamen authorized by Fifty-eighth Statutes at Large, page 758.

69 Stat. 230.

#### BUREAU OF PUBLIC ROADS

##### FEDERAL-AID-HIGHWAYS

For an additional amount for "Federal-aid highways", to remain available until expended, \$100,000,000, which sum is a part of the amount authorized to be appropriated for the fiscal year 1955.

69 Stat. 232.

70 Stat. 162.

70 Stat. 163.

##### FOREST HIGHWAYS

For an additional amount for "Forest highways", to remain available until expended, \$3,000,000, which sum is a part of the amount authorized to be appropriated for the fiscal year 1956.

69 Stat. 232.

## NATIONAL BUREAU OF STANDARDS

## PLANT AND EQUIPMENT

Not to exceed \$15,000 of the appropriation granted under this head in the Department of Commerce and Related Agencies Appropriation Act, 1956, shall be available for necessary expenses for the acquisition of land necessary for the operation of a radio propagation field station in the Territory of Hawaii. <sup>69 Stat. 233.</sup>

## INDEPENDENT AGENCIES

## SMALL BUSINESS ADMINISTRATION

## REVOLVING FUND

For additional capital for the revolving fund authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitation, \$20,000,000. <sup>67 Stat. 232.  
15 USC 631 note.</sup>

## CHAPTER III

## DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

## DEPARTMENT OF THE NAVY

## AUDITED CLAIMS

Applicable current appropriations of the Department of the Navy shall be available for the payment of claims certified by the Comptroller General to be otherwise due, in the amounts stated below, from the following appropriations:

“Pay, subsistence, and transportation, Navy”, fiscal year 1943, \$7,070.23;

“Transportation of things, Navy”, fiscal year 1948, \$1,108.12;

“Maintenance, Bureau of Supplies and Accounts, Navy”, fiscal year 1943, \$1,316.35; and

“Maintenance, Bureau of Ships, Navy”, fiscal year 1946, \$91,292.69.

## CHAPTER IV

## GENERAL GOVERNMENT MATTERS

## AMERICAN BATTLE MONUMENTS COMMISSION

## DEDICATION OF WORLD WAR II MEMORIALS

For expenses necessary for appropriate dedications of World War II memorials, erected under the authority of the Act of June 26, 1946 (36 U. S. C. 123), to be available for such purposes as the Commission may deem necessary and proper and without regard to the provisions of other laws or regulations relating to the expenditure of public funds (except that this exemption shall not be construed as waiving the requirement for the submission of accounts and vouchers to the General Accounting Office for audit). \$140,000. to remain available until June 30, 1957: *Provided*, That, when in the discretion of any other government agency it would be in the public interest, personnel, services, supplies, equipment, and facilities of such agency may be furnished without reimbursement to the Commission for the purposes of this appropriation. <sup>60 Stat. 317.  
70 Stat. 163.  
70 Stat. 164.</sup>

# COMMISSION ON GOVERNMENT SECURITY

## SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$200,000, and said appropriation shall remain available until March 31, 1957.

# CORREGIDOR BATAAN MEMORIAL COMMISSION

## SALARIES AND EXPENSES

86 USC 426. For expenses necessary to carry out the provisions of the Act of August 5, 1953, as amended (67 Stat. 366 and 69 Stat. 589), \$56,000, to remain available through June 30, 1957.

## CHAPTER V

# INDEPENDENT OFFICES

## CIVIL SERVICE COMMISSION

### SALARIES AND EXPENSES

69 Stat. 199. The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$443,000" to "\$488,000", and the limitation under said head on the amount available for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767), is increased from "\$65,000" to "\$70,000".

5 USC 1181,  
118k-118n.

## INVESTIGATIONS OF UNITED STATES CITIZENS FOR EMPLOYMENT BY INTERNATIONAL ORGANIZATIONS

For an additional amount for "Investigations of United States citizens for employment by international organizations", \$107,100.

## ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES AND LIGHTHOUSE SERVICE WIDOWS

For an additional amount for "Annuities, Panama Canal construction employees and Lighthouse Service widows", \$70,000.

## ADMINISTRATIVE EXPENSES, EMPLOYEES' LIFE INSURANCE FUND

69 Stat. 201. The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount made available from the "Employees' life insurance fund" for reimbursement to the Civil Service Commission for administrative expenses incurred in the administration of the Federal Employees' Group Life Insurance Act, is increased from "\$80,000" to "\$117,500".

68 Stat. 736.  
5 USC 2091  
note.

# FEDERAL COMMUNICATIONS COMMISSION

## SALARIES AND EXPENSES

69 Stat. 201. The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$65,000" to "\$94,000".

70 Stat. 164.  
70 Stat. 165.



## FEDERAL HOME LOAN BANK BOARD

The amount made available in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses of the Home Loan Bank Board is increased from "\$920,000" to "\$978,400", and the amount made available to said Board for nonadministrative expenses, is increased from "\$2,995,000" to "\$3,438,800". 69 Stat. 214.

## FEDERAL TRADE COMMISSION

## SALARIES AND EXPENSES

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$160,000" to "\$175,000". 69 Stat. 202.

## GENERAL ACCOUNTING OFFICE

The provisions of section 102 of the Independent Offices Appropriation Act, 1956, shall not apply to travel performed by employees of the General Accounting Office. 69 Stat. 212.

## GENERAL SERVICES ADMINISTRATION

## OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

For an additional amount for "Operating expenses, Public Buildings Service", \$4,685,000; and the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$163,500" to "\$185,600". 69 Stat. 202.

## REFUNDS UNDER RENEGOTIATION ACT

For an additional amount for "Refunds under Renegotiation Act", \$4,000,000, to remain available until expended.

## ACQUISITION OF LAND AND BUILDING, CHICAGO, ILLINOIS

For the acquisition of the parcel of land located at 536 South Clark Street, Chicago, Illinois, together with all improvements thereon and appertaining thereto, including incidental expenses, to remain available until expended, \$3,000,000, to be derived by transfer from the appropriation "Sites and planning, purchase contract, and public buildings projects".

## EXPENSES, GENERAL SUPPLY FUND

For an additional amount for "Expenses, general supply fund", \$450,000, to be derived by transfer from the appropriation for "Sites and planning, purchase contract, and public buildings projects".

## INCREASED TRAVEL LIMITATIONS

Limitations imposed by the Independent Offices Appropriation Act, 1956, as amended by the Supplemental Appropriation Act, 1956, on amounts available for travel expenses under the following appropriations are increased as follows: 69 Stat. 199, 450.

"Emergency operating expenses" from "\$13,400" to "\$15,300";  
 "Repair, improvement, and equipment" from "\$155,000" to "\$178,250";

"Operating expenses, Federal Supply Service" from "\$59,750" to "\$68,100"; and

"Operating expenses, National Archives and Records Service" from "\$30,750" to "\$34,750".

# HOUSING AND HOME FINANCE AGENCY

## OFFICE OF THE ADMINISTRATOR, SALARIES AND EXPENSES

69 Stat. 206. For an additional amount for "Salaries and expenses", \$398,500; and the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$263,700" to "\$304,860": *Provided*, That the limitation under this head on the amount available for certain nonadministrative expenses, is increased from "\$700,000" to "\$743,000".

## OFFICE OF THE ADMINISTRATOR, HOUSING LOANS TO EDUCATIONAL INSTITUTIONS

69 Stat. 213. The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from "\$500,000" to "\$706,300", and the limitation thereunder on the amount available for expenses of travel, is increased from "\$19,000" to "\$30,400".

## OFFICE OF THE ADMINISTRATOR, REVOLVING FUND (LIQUIDATING PROGRAMS)

69 Stat. 213. The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from "\$2,600,000" to "\$2,788,000", and the limitation thereunder on the amount available for expenses of travel, is increased from "\$183,200" to "\$213,200".

## FEDERAL NATIONAL MORTGAGE ASSOCIATION

69 Stat. 213. The limitation under this head in title II of the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$90,000" to "\$130,000".

## FEDERAL HOUSING ADMINISTRATION

69 Stat. 215. The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses is increased from "\$5,900,000" to "\$6,692,500", and the limitation thereunder on the amount available for expenses of travel, is increased from "\$300,000" to "\$367,500": *Provided*, That the limitation under said head on the amount available for certain nonadministrative expenses of said Administration, is increased from "\$33,000,000" to "\$35,050,000".

## HOUSING INVESTMENT INSURANCE FUND

62 Stat. 1290. The unexpended balance of funds appropriated to the Treasury Department under the head "Office of the Secretary, Housing Investment Insurance Fund", in the Supplemental Appropriation Act, 1949, is rescinded and shall be covered into the Treasury upon approval of this Act.

## PUBLIC HOUSING ADMINISTRATION

## ADMINISTRATIVE EXPENSES

For an additional amount for "Administrative expenses", \$1,436,500.

The amount made available under this head in title II of the Independent Offices Appropriation Act, 1956, for administrative expenses, is increased from "\$8,200,000" to "\$9,636,500", and shall be available for uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131) ; and the limitation thereunder on the amount available for expenses of travel, is increased from "\$530,000" to "\$682,000".

## INTERSTATE COMMERCE COMMISSION

## GENERAL EXPENSES

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$330,000" to "\$397,000".

## RAILROAD SAFETY

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$163,050" to "\$176,000".

## LOCOMOTIVE INSPECTION

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$112,620" to "\$124,000".

## NATIONAL SCIENCE FOUNDATION

## INTERNATIONAL GEOPHYSICAL YEAR

For an additional amount for "International Geophysical Year", \$27,000,000, to remain available until June 30, 1960.

## SECURITIES AND EXCHANGE COMMISSION

## SALARIES AND EXPENSES

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel, is increased from "\$132,000" to "\$157,500".

## VETERANS ADMINISTRATION

## INPATIENT CARE

The limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel of employees, is increased from "\$246,000" to "\$357,700": *Provided*, That, notwithstanding the last proviso under this head in the Independent Offices Appropriation Act, 1956, inpatient care and treatment may be furnished to an average of 130,309 beneficiaries (excluding members in State or Territorial homes) during the current fiscal year without any proportionate reduction in expenditures.



## OUTPATIENT CARE

69 Stat. 210.

For an additional amount for "Outpatient care", \$3,882,200; and the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for expenses of travel of employees, is increased from "\$170,000" to "\$208,000".

## COMPENSATION AND PENSIONS

For an additional amount for "Compensation and pensions", \$10,000,000, to remain available until expended.

## READJUSTMENT BENEFITS

For an additional amount for "Readjustment benefits", \$185,000,000, to remain available until expended.

## INCREASED TRAVEL LIMITATIONS

69 Stat. 209.

Limitations imposed by the Independent Offices Appropriation Act, 1956, on amounts available for travel expenses under the following appropriations are increased as follows:

"General operating expenses" from "\$2,731,000" to "\$2,891,550";

"Medical administration and miscellaneous operating expenses" from "\$751,800" to "\$824,950"; and

"Maintenance and operation of supply depots" from "\$2,500" to "\$2,880".

## CHAPTER VI

## DEPARTMENT OF THE INTERIOR

## OFFICE OF THE SECRETARY

## RESEARCH IN THE UTILIZATION OF SALINE WATER

For an additional amount for "Research in the utilization of saline water", \$200,000.

## OIL AND GAS DIVISION

For an additional amount for "Oil and Gas Division", \$35,000.

## BUREAU OF LAND MANAGEMENT

## MANAGEMENT OF LANDS AND RESOURCES

For an additional amount for "Management of lands and resources", \$1,000,000.

## CONSTRUCTION

For an additional amount for "Construction", \$2,000,000, to remain available until expended.

## BUREAU OF INDIAN AFFAIRS

## EDUCATION AND WELFARE SERVICES

For an additional amount for "Education and welfare services", \$1,871,000: *Provided*, That the Secretary of the Army is authorized and directed to transfer to the Secretary of the Interior, without exchange of funds, forty-six school buses presently on loan to the Bureau of Indian Affairs.

CONSTRUCTION

For an additional amount for "Construction", \$240,000, to remain available until expended: *Provided*, That the funds herein used for restoration of Indian irrigation facilities shall be nonreimbursable: *Provided further*, That not to exceed \$54,000 used for emergency reconstruction, replacement or repair of the San Carlos irrigation facilities damaged or destroyed by flood and storm in 1955 shall be nonreimbursable.

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For an additional amount for "Surveys, investigations, and research", \$1,650,000.

NATIONAL PARK SERVICE

CONSTRUCTION

For an additional amount for "Construction", \$3,000,000, to remain available until expended.

FISH AND WILDLIFE SERVICE

FEDERAL AID IN WILDLIFE RESTORATION

For "Federal aid in wildlife restoration", an amount equal to 20 per centum of the accumulated unappropriated receipts in the "Federal aid to wildlife restoration fund" on August 12, 1955, and a like amount for each of the four next succeeding fiscal years, to be derived from said fund pursuant to the provisions of the Act of August 12, 1955 (69 Stat. 698): *Provided*, That the annual apportionments to the Territories of Alaska and Hawaii, and to Puerto Rico and the Virgin Islands authorized by section 8a of the Act of September 2, 1937 (16 U. S. C. 669g-1), as amended, may be increased by not to exceed 20 per centum. 16 USC 669b-1.  
64 Stat. 399.

OFFICE OF TERRITORIES

ADMINISTRATION OF TERRITORIES

For an additional amount for "Administration of Territories", \$60,000.

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

SALARIES AND EXPENSES

For additional amounts for "Salaries and expenses", as follows:  
 "National forest protection and management", \$2,178,500;  
 "Fighting forest fires", \$5,250,000;  
 "Control of forest pests", \$30,000; and  
 "Forest research", \$455,000.

## CHAPTER VII

### DEPARTMENT OF LABOR

#### BUREAU OF EMPLOYMENT SECURITY

##### MEXICAN FARM LABOR PROGRAM

For an additional amount for "Salaries and expenses, Mexican farm labor program", \$65,000, to be derived by transfer from the appropriation "Unemployment compensation for veterans".

### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

#### OFFICE OF EDUCATION

##### PAYMENTS TO SCHOOL DISTRICTS

For an additional amount for "Payments to school districts", \$25,000,000.

##### ASSISTANCE FOR SCHOOL CONSTRUCTION

For an additional amount for "Assistance for school construction", including carrying out the provisions of the Act of August 12, 1955 (Public Law 382), \$9,900,000, to remain available until expended.

69 Stat. 713.  
20 USC 237  
et seq.

#### PUBLIC HEALTH SERVICE

##### GRANTS TO STATES FOR POLIOMYELITIS VACCINATION

For an additional amount for "Grants to States for poliomyelitis vaccination", \$27,800,000, and such amount together with amounts previously appropriated under this head shall remain available until June 30, 1957.

##### CONSTRUCTION OF BIOLOGICS STANDARDS LABORATORY BUILDING

For construction of a laboratory building for the biologics standards activities of the National Institutes of Health, and for expansion of and additional equipment for the boiler plant, including the preparation of plans, supervision, and fixed equipment, \$3,190,000, together with not to exceed \$310,000 to be derived by transfer from "Construction of research facilities".

##### INCREASED PAY COSTS, CAREER INCENTIVE ACT OF 1955

For additional amounts for appropriations for the fiscal year 1956, for increased pay costs authorized by the Act of March 31, 1955 (Public Law 20), as follows:

- "Assistance to States, general", \$55,000;
- "Communicable diseases", \$55,000;
- "Sanitary engineering activities", \$70,000;
- "Foreign quarantine service", \$20,000;
- "Retired pay of commissioned officers", \$130,000;

The Surgeon General is authorized to transfer between appropriations to the Public Health Service such amounts as may be necessary to meet increased costs authorized by Public Law 20, Eighty-fourth Congress, but no appropriation shall be increased by more than \$10,000 as a result of such transfers.

69 Stat. 18.  
37 USC 232 note.



SOCIAL SECURITY ADMINISTRATION

GRANTS TO STATES FOR PUBLIC ASSISTANCE

For an additional amount for "Grants to States for public assistance", \$47,000,000.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$800,000.

NATIONAL MEDIATION BOARD

For an additional amount for "Salaries and expenses", \$25,000, to be derived by transfer from the appropriation "Arbitration and emergency board", fiscal year 1956. 69 Stat. 410.

RAILROAD RETIREMENT BOARD

SALARIES AND EXPENSES, RAILROAD RETIREMENT BOARD

(TRUST FUND)

For an additional amount for "Salaries and expenses, Railroad Retirement Board (trust fund)", \$888,000, to be derived from the railroad retirement account.

CHAPTER VIII

PUBLIC WORKS

DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For an additional amount for "Operation and maintenance, Southeastern Power Administration", \$235,000.

DEPARTMENT OF THE ARMY—CIVIL FUNCTIONS

RIVERS AND HARBORS AND FLOOD CONTROL

Operation and Maintenance, General

For an additional amount for "Operation and maintenance, general", to remain available until expended, \$15,375,000, of which \$15,000,000 shall be available for carrying out the provisions of the Act of June 28, 1955 (Public Law 99), and of which not more than \$25,000 shall be available for the dredging of the Kalamazoo River, where it flows into Lake Michigan. 69 Stat. 186. 33 USC 701n.

## CHAPTER IX

### DEPARTMENT OF STATE

#### PAYMENT TO FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service retirement and disability fund as authorized by the Foreign Service Act of 1946 (22 U. S. C. 1061-1116), \$1,236,000.

60 Stat. 1019.

#### EXTENSION AND REMODELING, STATE DEPARTMENT BUILDING

For an additional amount for "Extension and remodeling, State Department Building", to remain available until expended, \$800,000, to be transferred to the General Services Administration.

#### CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to international organizations", \$349,790.

### DEPARTMENT OF JUSTICE

#### LEGAL ACTIVITIES AND GENERAL ADMINISTRATION

##### SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, general legal activities", \$500,000.

##### SALARIES AND EXPENSES, ANTITRUST DIVISION

For an additional amount for "Salaries and expenses, Antitrust Division", \$364,000.

##### FEES AND EXPENSES OF WITNESSES

For an additional amount for "Fees and expenses of witnesses", \$100,000; and the limitation under this head in the Department of Justice Appropriation Act, 1956, on the amount available for compensation and expenses of witnesses or informants, is increased from "\$175,000" to "\$200,000".

69 Stat. 271.

##### SALARIES AND EXPENSES, CLAIMS OF PERSONS OF JAPANESE ANCESTRY

For an additional amount for "Salaries and expenses, claims of persons of Japanese ancestry", \$600,000.

### THE JUDICIARY

#### SUPREME COURT OF THE UNITED STATES

##### MISCELLANEOUS EXPENSES

For an additional amount for "Miscellaneous expenses", \$900.

#### COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

##### TRAVEL AND MISCELLANEOUS EXPENSES

For an additional amount for "Travel and miscellaneous expenses", \$225,000, to be derived by transfer from the appropriation "Fees of jurors and commissioners", fiscal year 1956.

69 Stat. 276.

## SALARIES OF REFEREES

For an additional amount for "Salaries of referees", \$8,375, to be derived from the referees' salary fund established in pursuance of the Act of June 28, 1946, as amended (11 U. S. C. 68). 60 Stat. 326.

## EXPENSES OF REFEREES

For an additional amount for "Expenses of referees", \$111,500, to be derived from the referees' expense fund established in pursuance of the Act of June 28, 1946, as amended (11 U. S. C. 68 (c) (4)). 60 Stat. 327.

## CHAPTER X

## TREASURY DEPARTMENT

## BUREAU OF ACCOUNTS

## SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$163,000.

## COAST GUARD

## RESERVE TRAINING

For an additional amount for "Reserve training", \$868,000, to be derived by transfer from the appropriation "Acquisition, construction, and improvements".

For an additional amount for "Reserve training", 1957, \$3,500,000.

## POST OFFICE DEPARTMENT

## OPERATIONS

For an additional amount for "Operations", \$16,000,000: *Provided*, That the Postmaster General, with the approval of the Director of the Bureau of the Budget, may transfer such sums (not to exceed \$2,000,000) as he deems necessary from any appropriation available to the Post Office Department for the remainder of the fiscal year ending June 30, 1956, to any other such appropriation or appropriations without regard to the limitations imposed by the first proviso contained in the paragraph under the heading "Operations" in title II of the Treasury-Post Office Appropriation Act, 1956. 69 Stat. 76.

## THE TAX COURT OF THE UNITED STATES

## SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", \$87,000.

## CHAPTER XI

## DISTRICT OF COLUMBIA

## OPERATING EXPENSES

## METROPOLITAN POLICE

For an additional amount for "Metropolitan Police", \$240,000, of which \$36,000 shall be payable from the highway fund of the District of Columbia, as defined in the District of Columbia Appropriation Act, 1956. 69 Stat. 246.



DEPARTMENT OF PUBLIC HEALTH

For an additional amount for "Department of Public Health", \$150,000.

For an additional amount, fiscal year 1954, for "Freedmen's Hospital", \$137,489.

PUBLIC WELFARE

For an additional amount for "Department of Public Welfare", \$250,000.

For an additional amount, fiscal year 1955, for "Department of Public Welfare", \$327,000.

DEPARTMENT OF HIGHWAYS

For an additional amount for "Department of Highways", \$393,000.

SETTLEMENT OF CLAIMS AND SUITS

For the payment of claims in excess of \$250, approved by the Commissioners in accordance with the provisions of the Act of February 11, 1929, as amended (45 Stat. 1160; 46 Stat. 500; 65 Stat. 131), \$44,708.

D. C. Code  
1-904.

JUDGMENTS

For the payment of final judgments rendered against the District of Columbia, as set forth in House Document Numbered 330 (Eighty-fourth Congress), \$18,728, together with such further sums as may be necessary to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same become due until the date of payment.

AUDITED CLAIMS

For an additional amount for the payment of claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which have been exhausted or credited to the general fund of the District of Columbia as provided by law (D. C. Code, title 47, sec. 130a), being for the service of the fiscal year 1953 and prior fiscal years, as set forth in House Document Numbered 330 (Eighty-fourth Congress), \$85,785, together with such further sums as may be necessary to pay the interest on audited claims for refunds at not exceeding 4 per centum per annum as provided by law (Act of July 10, 1952, 66 Stat. 546, sec. 14d).

58 Stat. 533.

D. C. Code  
47-2413.

DIVISION OF EXPENSES

The sums appropriated in this Act for the District of Columbia shall, unless otherwise specifically provided for, be paid out of the general fund of the District of Columbia, as defined in the District of Columbia Appropriation Acts for the fiscal years involved.

CHAPTER XII

LEGISLATIVE BRANCH

SENATE

For payment to Lois Lilly Kilgore, widow of Harley M. Kilgore, late a Senator from the State of West Virginia, \$22,500.

SALARIES, OFFICES AND EMPLOYEES

Office of the Secretary: For an additional amount for the Office of the Secretary, \$2,535: *Provided*, That the basic compensation of the assistant to the majority and the assistant to the minority may be fixed by the majority and minority leaders, respectively, at a rate not to exceed \$8,820 per annum; and that effective April 1, 1956, the basic amount available for clerical assistance and readjustment of salaries in the disbursing office is increased by \$3,000.

CONTINGENT EXPENSES OF THE SENATE

Joint Committee on the Economic Report: For an additional amount for salaries and expenses of the Joint Committee on the Economic Report, \$10,914.

Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, \$600,000.

Stationery: For an additional amount for stationery, \$2,900, and the amount available for stationery for committees and officers of the Senate is hereby increased to \$12,900.

ADMINISTRATIVE PROVISIONS

The third proviso in the paragraph relating to the authority of Senators and committee chairmen to rearrange the basic salaries of employees in their respective offices or committees, which appears in the Legislative Branch Appropriation Act, 1947, as amended (2 U. S. C. 60f), is amended to read as follows: "*Provided further*, That Senators and committee chairmen, on or before the day on which they are to become effective, shall certify in writing such changes or rearrangements to the disbursing office of the Senate which thereafter shall pay such employees in accordance with such certifications, except that, in the case of any change or rearrangement, other than original appointments, to become effective on or after the first day and prior to the tenth day of any month, such certification may be made at any time not later than the tenth day of such month". 60 Stat. 390.

HOUSE OF REPRESENTATIVES

For payment to Ella Stegen Reed, widow of Chauncey W. Reed, late a Representative from the State of Illinois, \$22,500.

CONTINGENT EXPENSES OF THE HOUSE

SPECIAL AND SELECT COMMITTEES

For an additional amount for "Special and select committees", \$300,000.

STATIONERY (REVOLVING FUND)

For an additional amount for "Stationery (revolving fund)", first session, Eighty-fourth Congress, \$100, to remain available until expended.

ATTENDING PHYSICIAN'S OFFICE

For an additional amount for "Attending physician's office", \$1,000.

FOLDING DOCUMENTS

For an additional amount for "Folding documents", \$15,000.

## CAPITOL POLICE

### GENERAL EXPENSES

For an additional amount for "General expenses", \$1,700.

## CHAPTER XIII

### CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

For payment of claims for damages as settled and determined by departments and agencies in accord with law, audited claims certified to be due by the General Accounting Office, and judgments rendered against the United States by United States district courts and the United States Court of Claims, as set forth in Senate Document Numbered 110 and House Document Numbered 355, Eighty-fourth Congress, \$2,367,341, together with such amounts as may be necessary to pay interest (as and when specified in such judgments or in certain of the settlements of the General Accounting Office or provided by law) and such additional sums due to increases in rates of exchange as may be necessary to pay claims in foreign currency: *Provided*, That no judgment herein appropriated for shall be paid until it shall have become final and conclusive against the United States by failure of the parties to appeal or otherwise: *Provided further*, That, unless otherwise specifically required by law or by the judgment, payment of interest wherever appropriated for herein shall not continue for more than thirty days after the date of approval of this Act.

## CHAPTER XIV

### INCREASED PAY COSTS

For additional amounts for appropriations for the fiscal year 1956, for increased pay costs authorized by the Act of March 2, 1955 (Public Law 9), the Act of June 10, 1955 (Public Law 68), the Act of June 28, 1955 (Public Law 94), the Act of July 11, 1955 (Public Law 139), the Act of August 5, 1955 (Public Law 242), the Act of August 5, 1955 (Public Law 243), and the Act of August 5, 1955 (Public Law 244), as follows:

#### LEGISLATIVE BRANCH

##### Senate:

"Salaries, officers and employees", \$3,763,750;

##### Contingent expenses of the Senate:

"Joint Committee on the Economic Report", \$10,985;

"Joint Committee on Atomic Energy", \$14,715;

"Joint Committee on Printing", for compiling, preparing, and indexing material for the biographical directory, \$140;

"Vice President's automobile", \$325;

"Automobile for the President pro tempore", \$325;

"Automobiles for majority and minority leaders", \$650;

"Reporting Senate proceedings", \$10,925;

"Folding documents", \$2,000;

"Inquiries and investigations", including \$7,500 authorized by Public Law 295, Eighty-fourth Congress, approved August 9, 1955, \$67,880;

"Miscellaneous items", \$15,130;

69 Stat. 9,88,  
172, 290, 499,  
521, 530.  
2 USC 31 note;  
39 USC 951 note;  
5 USC 1113 note;  
2 USC 60a note  
et seq.; D. C.  
Code 11-771; 11-  
753; 11-920; 47-  
2402; 31-659a-1  
et seq.; 4-813  
et seq.

69 Stat. 580.  
50 USC app. 2062.



## House of Representatives:

"Salaries, officers and employees", \$681,345;

"Members' clerk hire", \$3,100,000;

Contingent expenses of the House:

"Furniture", \$9,300;

"Special and select committees", \$150,000;

"Joint Committee on Internal Revenue Taxation", \$20,000;

"Office of the Coordinator of Information", \$4,160;

"Attending physician's office", \$2,160;

"Folding documents", \$40,000;

"Revision of laws", \$2,800;

"Speaker's automobile", \$700;

"Automobile for the Majority Leader", \$665;

"Automobile for the Minority Leader", \$665;

Capitol police: "Capitol Police Board", \$6,810;

"Office of the Legislative Counsel", \$38,000 of which \$12,000 shall be disbursed by the Secretary of the Senate and \$26,000 shall be disbursed by the Clerk of the House of Representatives;

"Education of Senate and House pages", \$1,450;

Architect of the Capitol: Office of the Architect of the Capitol: "Salaries", \$6,000;

Botanic Garden: "Salaries and expenses", \$2,000;

Library of Congress:

"Salaries and expenses", \$283,064;

Copyright Office: "Salaries and expenses", \$80,415;

Legislative reference service: "Salaries and expenses", \$70,055;

Distribution of catalog cards: "Salaries and expenses", \$52,359;

"Books for the blind", \$6,678;

Government Printing Office: Office of Superintendent of Documents: "Salaries and expenses", \$87,270;

## THE JUDICIARY

Supreme Court of the United States: "Salaries", \$9,000;

Customs Court: "Salaries and expenses", \$12,500;

Courts of appeals, district courts, and other judicial services:

"Salaries of supporting personnel", \$825,000;

"Administrative Office of the United States Courts", \$36,500;

## EXECUTIVE OFFICE OF THE PRESIDENT

"Executive Mansion and grounds", \$17,575;

Bureau of the Budget: "Salaries and expenses", \$210,000;

Council of Economic Advisers: "Salaries and expenses", \$4,000;

National Security Council: "Salaries and expenses", \$4,000;

Office of Defense Mobilization: "Salaries and expenses", \$50,000;

President's Commission on Veterans' Pensions: "Salaries and expenses", \$12,000;

## FUNDS APPROPRIATED TO THE PRESIDENT

"Refugee relief" (decrease the amount of the limitation under this head in the Departments of State and Justice, the Judiciary, and Related Agencies Appropriation Act, 1956, on capital for making loans from "\$2,000,000" to "\$1,685,655"); 69 Stat. 279.

INDEPENDENT OFFICES

American Battle Monuments Commission: "Salaries and expenses", \$9,000;

Civil Service Commission: "Salaries and expenses", \$1,065,000;

Federal Civil Defense Administration:

"Operations", \$362,000, to be derived by transfer from the appropriation "Emergency supplies and equipment";

"Salaries and expenses, civil defense functions of Federal agencies", \$40,000, to be derived by transfer from the appropriation "Emergency supplies and equipment";

Federal Communications Commission: "Salaries and expenses", \$453,000;

Federal Mediation and Conciliation Service: "Salaries and expenses", \$160,000;

Federal Power Commission: "Salaries and expenses", \$250,000;

Federal Trade Commission: "Salaries and expenses", \$286,000;

General Accounting Office: "Salaries and expenses", \$1,500,000;

Indian Claims Commission: "Salaries and expenses", \$1,700;

Interstate Commerce Commission:

"General expenses", \$670,000;

"Railroad safety", \$60,500;

"Locomotive inspection", \$44,500;

National Capital Housing Authority: "Maintenance and operation of properties", \$1,400;

National Capital Planning Commission: "Salaries and expenses", \$6,700;

National Mediation Board: National Railroad Adjustment Board: "Salaries and expenses" (decrease of \$18,000 in the limitation upon the amount available for compensation and expenses of referees);

Securities and Exchange Commission: "Salaries and expenses", \$323,000;

Selective Service System: "Salaries and expenses" (decrease the amount of the limitation under this head in the Independent Offices Appropriation Act, 1956, on the amount available for registration, classification, and induction activities of local boards from "\$20,963,700" to "\$20,636,300");

Small Business Administration: "Salaries and expenses", \$128,000;

Smithsonian Institution:

"Salaries and expenses", \$166,000;

"Salaries and expenses, National Gallery of Art", \$81,000;

Tariff Commission: "Salaries and expenses", \$83,000;

United States Information Agency: "Salaries and expenses", \$2,000,000;

Veterans Administration:

"General operating expenses", \$9,500,000;

"Medical administration and miscellaneous operating expenses", \$755,600;

"Inpatient care", \$30,790,600;

"Maintenance and operation of supply depots", \$50,000;

GENERAL SERVICES ADMINISTRATION

"Emergency operating expenses", \$265,000;

"Operating expenses, Federal Supply Service", \$190,000;

"Expenses, general supply fund", \$625,000;

"Operating expenses, National Archives and Records Service", \$325,000;

"Administrative operations", \$285,000;

"Abaca fiber program" (increase of \$2,000 in the limitation upon the amount which may be used for administrative expenses) ;

#### DEPARTMENT OF AGRICULTURE

##### Agricultural Research Service:

"Research on strategic and critical agricultural materials", \$14,000 ;

"Foot-and-mouth and other contagious diseases of animals and poultry", \$45,000 ;

Extension Service: Federal Extension Service: "Administration and coordination", \$60,000, to be derived by transfer from the appropriation "Payments to States, Hawaii, Alaska, and Puerto Rico" ;

"Farmer Cooperative Service", \$19,000 ;

Forest Service: "State and private forestry cooperation", \$45,000 ;

Soil Conservation Service: "Conservation operations", \$3,650,000 ;

Agricultural Marketing Service: "Marketing research and service", \$1,300,000, of which \$925,000 shall be derived by transfer from the appropriation "Payments to States, Hawaii, Alaska, and Puerto Rico", Extension Service ;

"Foreign Agricultural Service", \$80,000 ;

"Commodity Exchange Authority", \$44,000 ;

Commodity Stabilization Service: "Agricultural adjustment programs", \$150,000 ;

"Federal Crop Insurance Corporation", \$214,200 ;

Rural Electrification Administration: "Salaries and expenses", \$460,000 ;

"Office of the General Counsel", \$116,000 ;

"Office of the Secretary", \$138,000 ;

"Office of Information", \$43,500 ;

"Library", \$40,000 ;

#### DEPARTMENT OF COMMERCE

Office of the Secretary: "Salaries and expenses", \$140,500 ;

Bureau of the Census: "Censuses of business, manufactures, and mineral industries", \$304,000 ;

Civil Aeronautics Administration:

"Operation and regulation", \$5,890,000 ;

"Maintenance and operation, Washington National Airport", \$38,000 ;

"Maintenance and operation of public airports, Territory of Alaska", \$17,500 ;

Civil Aeronautics Board: "Salaries and expenses", \$265,000 ;

Coast and Geodetic Survey: "Salaries and expenses", \$340,000 ;

Business and Defense Services Administration: "Salaries and expenses", \$402,000 ;

Bureau of Foreign Commerce:

"Salaries and expenses", \$130,500 ;

"Export Control", \$186,000 ;

Office of Business Economics: "Salaries and expenses", \$60,000 ;

Maritime activities: "Salaries and expenses", \$525,500 ; and increase the limitations thereunder as follows:

Administrative expenses, \$410,000 ;

Maintenance of shipyard facilities and operation of warehouses, \$37,200 ;

Reserve fleet expenses, \$78,300 ;

Patent Office: "Salaries and expenses", \$500,000 ;

National Bureau of Standards: "Expenses", \$413,500 ;

Weather Bureau: "Salaries and expenses", \$1,650,000 ;



DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

Office of the Secretary of Defense: "Salaries and expenses", \$769,000;  
"Office of Public Affairs", \$27,500;  
Interservice activities: "Court of Military Appeals", \$41,400;  
Department of the Navy:  
    "Service-wide supply and finance", \$7,400,000;  
    "Service-wide operations", \$2,180,000;

DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

Department of the Army:  
    Rivers and harbors and flood control:  
        "General investigations", \$100,000;  
        "General expenses", \$550,000;  
        "United States Soldiers' Home", \$137,000, to be paid from the  
        Soldiers' Home permanent fund;  
    Canal Zone Government: "Operating expenses", \$448,000;  
    "Panama Canal Company" (increase of \$49,000 in the limita-  
    tion upon the amount which may be used for administrative ex-  
    penses);

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration: "Salaries and expenses", \$360,000;  
Freedmen's Hospital: "Salaries and expenses", \$100,000;  
Gallaudet College: "Salaries and expenses", \$9,000;  
Howard University: "Salaries and expenses", \$215,000;  
Office of Education:  
    "Salaries and expenses", \$190,000, to be derived by transfer  
    from the appropriation "Promotion and further development of  
    vocational education";  
    "Salaries and expenses, White House Conference on Educa-  
    tion", \$8,000;  
Office of Vocational Rehabilitation: "Salaries and expenses",  
\$58,000;  
Public Health Service:  
    "Assistance to States, general", \$161,000;  
    "Venereal diseases", \$116,000;  
    "Tuberculosis", \$62,000;  
    "Communicable diseases", \$146,000;  
    "Sanitary engineering activities", \$120,000;  
    "Disease and sanitary investigations and control, Territory of  
    Alaska", \$14,000;  
    "Salaries and expenses, hospital construction services", \$40,-  
    000;  
    "Hospitals and medical care", \$1,070,000;  
    "Foreign quarantine service", \$150,000;  
    "Indian health activities", \$1,150,000;  
    "National Institutes of Health, operating expenses", \$30,000;  
    "National Cancer Institute", \$150,000;  
    "National Heart Institute", \$120,000, of which \$90,000 shall  
    be derived by transfer from the appropriation "Construction of  
    housing facilities for animals";  
    "Dental health activities", \$40,000;  
    "Arthritis and metabolic disease activities", \$100,000;  
    "Microbiology activities", \$195,000;  
    "Salaries and expenses", \$154,000;  
Saint Elizabeths Hospital: "Salaries and expenses", \$117,000;

Social Security Administration:

"Salaries and expenses, Bureau of Old-Age and Survivors Insurance", \$5,229,000, to be derived from the Federal old-age and survivors insurance trust fund;

"Salaries and expenses, Bureau of Public Assistance", \$95,000;

"Salaries and expenses, Children's Bureau", \$100,000, to be derived by transfer from the appropriation "Promotion and further development of vocational education";

"Salaries and expenses, Office of the Commissioner", \$11,400, together with not to exceed \$8,600 to be transferred from the Federal old-age and survivors insurance trust fund;

Office of the Secretary:

"Salaries and expenses", \$83,500, together with not to exceed \$11,500 to be transferred from the Federal old-age and survivors insurance trust fund;

"Salaries and expenses, Office of Field Administration", \$108,400, together with not to exceed \$27,000 to be transferred from Federal old-age and survivors insurance trust fund;

"Salaries and expenses, Office of the General Counsel", \$26,400, together with not to exceed \$1,500 to be transferred from the appropriation "Salaries and expenses, certification, inspection, and other services", and not to exceed \$25,900, to be derived from the Federal old-age and survivors insurance trust fund;

"Surplus property utilization", \$25,000;

DEPARTMENT OF THE INTERIOR

Office of the Secretary:

"Oil and Gas Division", \$15,600;

"Office of the Solicitor", \$165,000;

Commission of Fine Arts: "Salaries and expenses", \$1,000;

Bonneville Power Administration: "Operation and maintenance", \$175,000;

Bureau of Indian Affairs:

"Resources management", \$450,000;

"General administrative expenses", \$150,000;

Bureau of Reclamation:

"Operation and maintenance" (decrease the amount under this head in the Public Works Appropriation Act, 1956, which is to be derived from the reclamation fund from "\$20,223,638" to "\$20,171,138", and increase the amount under said head which is to be derived from the Colorado River dam fund from "\$1,697,000" to "\$1,749,500");

"General administrative expenses", \$160,000;

Bureau of Mines:

"Conservation and development of mineral resources", \$650,000;

"Health and safety", \$305,000;

"General administrative expenses", \$60,000;

National Park Service:

"Management and protection", \$618,000;

"Maintenance and rehabilitation of physical facilities", \$144,000;

"General administrative expenses", \$75,000;

Fish and Wildlife Service:

"Management of resources", \$280,000;

"Investigations of resources", \$185,000;

"General administrative expenses", \$50,000;

Administration, Department of the Interior: "Salaries and expenses", \$100,000;

DEPARTMENT OF JUSTICE

Legal activities and general administration:

“Salaries and expenses, general administration”, \$173,000;

“Salaries and expenses, United States attorneys and marshals”,  
\$559,000;

Federal Bureau of Investigation: “Salaries and expenses”,  
\$5,826,000;

Immigration and Naturalization Service: “Salaries and expenses”,  
\$1,995,000;

Federal Prison System:

“Salaries and expenses, Bureau of Prisons”, \$1,335,000, of  
which \$275,000 shall be derived by transfer from the appropriation  
“Support of United States prisoners”;

“Federal Prison Industries, Inc.” (increase of \$15,000 in the  
limitation upon the amount which may be used for expenses of  
vocational training of prisoners);

DEPARTMENT OF LABOR

Office of the Secretary: “Salaries and expenses”, \$90,850, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

Office of the Solicitor: “Salaries and expenses”, \$79,500, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

Bureau of Labor Standards: “Salaries and expenses”, \$49,000, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

Bureau of Veterans' Reemployment Rights: “Salaries and expenses”, \$22,500, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

Bureau of Apprenticeship: “Salaries and expenses”, \$200,800, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

Bureau of Employment Security:

“Salaries and expenses”, \$329,100, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

“Salaries and expenses, Mexican farm labor program”, \$107,000, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

Bureau of Employees' Compensation: “Salaries and expenses”, \$143,000, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

Bureau of Labor Statistics: “Salaries and expenses”, \$342,000, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

Women's Bureau: “Salaries and expenses”, \$23,000, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

Wage and Hour Division: “Salaries and expenses”, \$481,000, to be derived by transfer from the appropriation “Unemployment compensation for veterans”;

POST OFFICE DEPARTMENT

(Out of postal fund)

“Administration”, \$486,600;

“Operation”, \$135,363,000;



"Transportation", \$11,100,000;

"Finance", \$335,400;

"Facilities", \$2,715,000;

#### DEPARTMENT OF STATE

"Salaries and expenses", \$3,080,000. of which \$263,000 shall be derived by transfer from the appropriation "Educational aid for China and Korea, State";

"Missions to international organizations", \$43,000, to be derived by transfer from the appropriation "Educational aid for China and Korea, State";

International Boundary and Water Commission, United States and Mexico:

"Salaries and expenses", \$22,000, to be derived by transfer from the appropriation "Educational aid for China and Korea, State";

"Operation and maintenance", \$39,000, to be derived by transfer from the appropriation "Educational aid for China and Korea, State";

"American sections, international commissions", \$13,000, to be derived by transfer from the appropriation "Educational aid for China and Korea, State";

"International educational exchange activities", \$170,000, to be derived by transfer from the appropriation "Educational aid for China and Korea, State";

#### TREASURY DEPARTMENT

Office of the Secretary:

"Salaries and expenses", \$170,000;

"Liquidation of Reconstruction Finance Corporation" (increase of \$85,000 in the amount which may be used for administrative expenses);

Bureau of Accounts: "Salaries and expenses, Division of Disbursement", \$280,000;

Bureau of the Public Debt: "Administering the public debt", \$752,000;

Office of the Treasurer: "Salaries and expenses", \$175,000;

Bureau of Customs: "Salaries and expenses", \$2,855,000;

Internal Revenue Service: "Salaries and expenses", \$17,900,000;

Bureau of Narcotics: "Salaries and expenses", \$155,000;

United States Secret Service:

"Salaries and expenses", \$179,000;

"Salaries and expenses, White House Police", \$57,000;

"Salaries and expenses, guard force", \$17,000;

Coast Guard: "Operating expenses", \$389,000, to be derived by transfer from the appropriation "Retired pay";

#### DISTRICT OF COLUMBIA

(Out of District of Columbia funds)

Operating expenses:

"Executive Office", \$17,500;

"Department of General Administration", \$88,400;

"Office of Corporation Council", \$24,400;

"Compensation and retirement fund expenses", \$440,000;

"Regulatory agencies", \$55,700;

"Department of Occupations and Professions", \$13,600;

"Public schools", \$3,172,000;

"Public Library", \$98,500;  
 "Recreation Department", \$79,000;  
 "Metropolitan Police", \$840,300, of which amount \$118,100 shall be payable from the highway fund;  
 "Fire Department", \$330,000;  
 "Office of Civil Defense", \$3,400;  
 "Courts", \$445,000;  
 "Department of Public Health", \$1,263,800;  
 "Department of Corrections", \$145,000;  
 "Department of Public Welfare", \$297,800;  
 "Department of Buildings and Grounds", \$77,300;  
 "Office of the Surveyor", \$4,400;  
 "Department of Licenses and Inspections", \$54,000;  
 "Department of Highways", \$70,300, of which amount \$50,522 shall be payable from the highway fund;  
 "Department of Vehicles and Traffic", \$53,500 (payable from the highway fund);  
 "Department of Sanitary Engineering", \$124,500, of which amount \$36,941 shall be payable from the water fund and \$37,487 shall be payable from the sanitary sewage works fund;  
 "Washington Aqueduct", \$43,500 (payable from the water fund);  
 "National Guard", \$5,800;  
 "National Capital Parks", \$95,000;  
 "National Zoological Park", \$21,600.

#### GENERAL PROVISION

SEC. 1402. Except where specifically increased or decreased elsewhere in this Act, the restrictions contained within appropriations, or provisions affecting appropriations or other funds, available during the fiscal year 1956, limiting the amounts which may be expended for personal services, or for purposes involving personal services, or amounts which may be transferred between appropriations or authorizations available for or involving such services, are hereby increased to the extent necessary to meet increased pay costs authorized by the Act of June 10, 1955 (Public Law 68), the Act of June 28, 1955 (Public Law 94), the Act of August 5, 1955 (Public Law 242), the Act of August 5, 1955 (Public Law 243), and the Act of August 5, 1955 (Public Law 244).

Approved May 19, 1956.

59 Stat. 88,172,  
 499, 521, 530.  
 39 USC 951 note;  
 5 USC 1113 note;  
 2 USC 60a note  
 et seq.; D. C.  
 Code 31-659a-1  
 et seq.; 4-813  
 et seq.

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